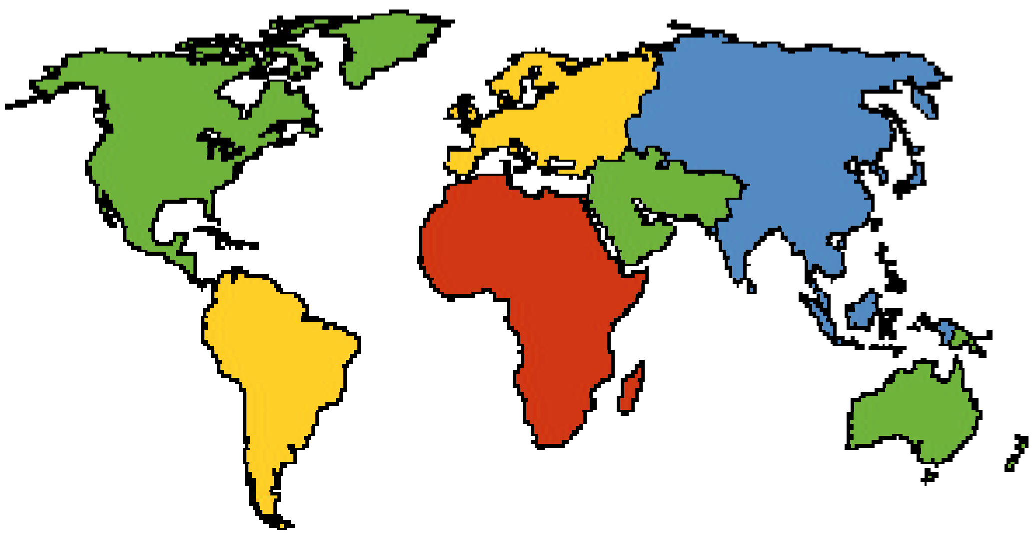
WELCOME THE WORLD



An Evaluation of International Tourism Markets

Utah Division of Travel Development
Department of Community and Economic Development
July 2002

INTRODUCTION

Increasing globalization, improving economies and more accessible information has mobilized travelers around the globe to seek new and unique experiences. Both familiar and exotic destinations seem closer to home. Improved technology and additional flights have opened up new markets and allowed travelers to choose from an ever-growing list of destinations.

Economic weakness in Europe and Japan dampened demand for U.S. vacations during much of 2001. International travel to the United States declined even more dramatically after the September terrorist attacks. Despite the obstacles encountered in 2001, the outlook for international travel remains positive. In the wake of security and economic concerns, international travel declined worldwide in 2001. However, the World Tourism Organization expects demand to rebound moderately in 2002 as improving economies and reassuring progress on security restore confidence in international travel.

Coverage of the 2002 Olympic Winter Games put Salt Lake City, Utah on the *global map*. The International Olympic Committee reports that the Salt Lake 2002 broadcast was the most successful in Olympic Winter Games history – 2.1 billion viewers in 160 countries watched the Winter Olympics. Extended news and feature coverage related to the Games meant a total of nearly 3 billion people around the world were exposed to media coverage of the 2002 Olympic Winter Games.

Visit any of Utah's most popular attractions and you will encounter a wide variety of people and cultures. Listen closely and you will likely hear a mixture of German, French, Japanese, Italian, Spanish, Dutch, or any number of other different languages. Fulfillment requests for the Utah travel guide in 2001 recorded inquiries from 97 countries worldwide. A visit to the Utah.com website provides Utah travel information in six languages, catering to potential visitors from around the world.

The international visitor currently represents a small but important travel segment in Utah's tourism economy, comprising nearly 5% of total Utah visitors. To maximize the growth potential of the international visitor travel segment, it is important to understand the current dynamics of the international traveler to Utah, including Utah's positioning as an international destination, international visitor characteristics and travel patterns and individual market strengths and weaknesses.

For more information, contact:

Jon Kemp, Research Coordinator
Utah Division of Travel Development
300 North State Street
Salt Lake City, UT 84114
TEL: (801) 538-1317
FAX: (801) 538-1399
Jkemp@utah.gov
www.utah.org/travel

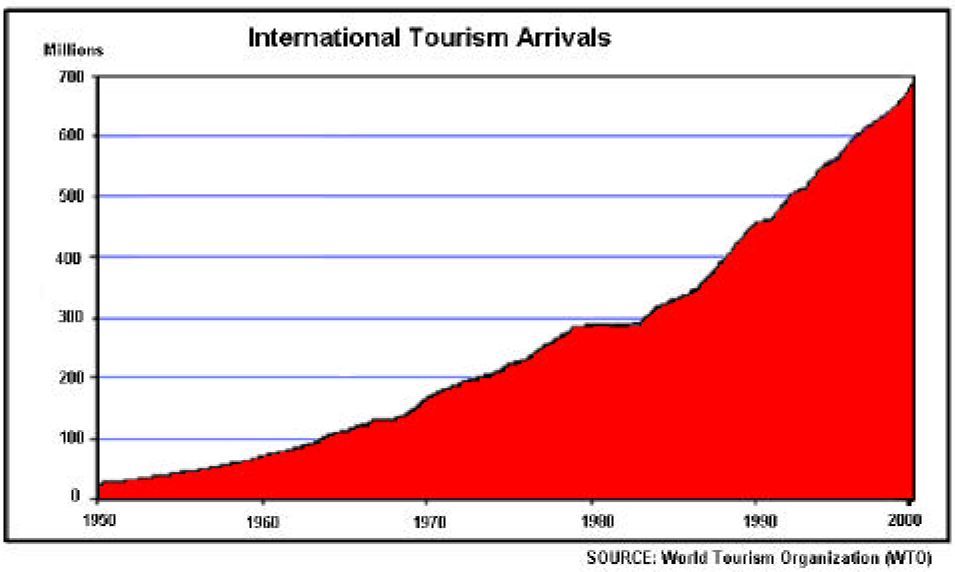
Utah!
RESEARCH SERIES

TABLE OF CONTENTS

INTERNATIONAL TRAVEL OVERVIEW

TRENDS IN GLOBAL TRAVEL & TOURISM

The global travel and tourism industry has grown at a remarkable pace throughout the last half of the twentieth century, from a mere 25 million international arrivals worldwide in 1950 to a record 698 million in 2000. Thanks to a strong world economy and many special events held to celebrate the new millennium, world tourism grew by an estimated 7 percent in 2000. However, the strength of the industry in 2000 contrasts sharply with the weakness of 2001. The WTO estimates the number of global international tourism arrivals in 2001 decreased by 1.3% to 689 million. Although the September 11th terrorist attacks on the United States contributed to this decline (global international arrivals were down 11% in the last 4 months of 2001, compared to a 3% increase during the first 8 months of the year) outbound travel was already slowing in the first several months of the year, a result of weakening economies in most of the major tourism generating countries. In addition, demand may have decreased during the year as a result of many travelers advancing travel plans to celebrate millennium events in 2000.



The WTO estimates that tourism ranks among the top five export categories for 83% of all countries. A report released by WEFA economic consultants and the World Travel and Tourism Council summarized the economic impact of the global travel and tourism industry for 1999:

- Spending by international visitors generated $3.5 trillion and accounted for 11.7% of the world's GDP. Almost 200 million jobs (8% of all jobs worldwide) were supported by the travel and tourism industry.

- Spending by international travelers accounted for 8% of world exports with additional impacts due to exports of travel and tourism's indirect and induced goods and services.

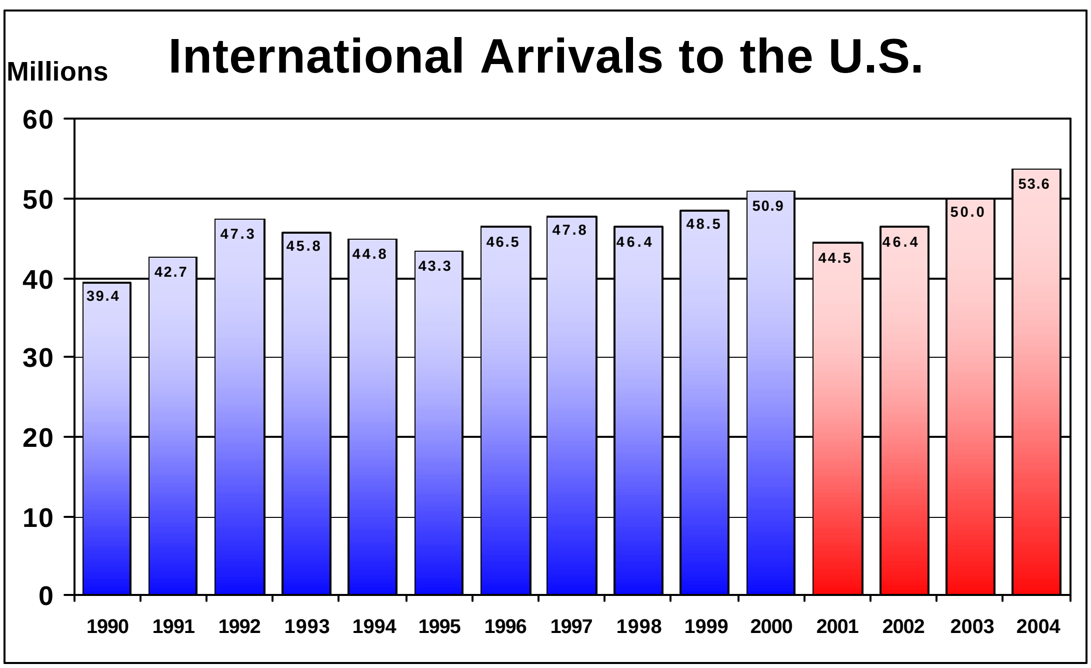
- Travel and tourism related GDP is forecast to increase by 3.0% per year in real terms and will support the creation of over 5.5 million jobs per year over the next decade.

Underscoring the overall expansion of the industry is its recent diversification. Trips are increasingly spread throughout the year to a myriad of destinations and are customized according to individual tastes and preferences. Trends indicate growing interest in many leisure segments, including cultural travel, sports and adventure tourism, rural tourism, nature-based travel, and cruises.

INTERNATIONAL TRAVEL TO THE U.S.

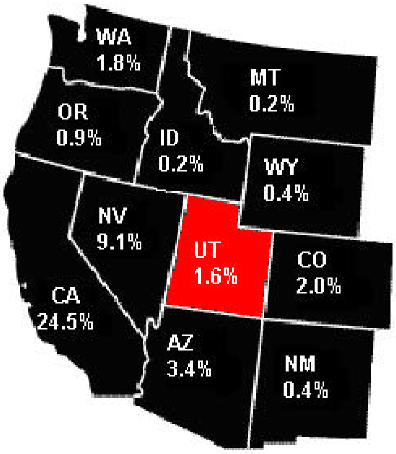
According to the U.S Department of Commerce, international travel in the U.S. represented over 50 million arrivals in 2000 and generated $103 billion in traveler spending. Arrivals to the United States grew a stronger than expected 5% in 2000. Despite the impressive performance of 2000, conditions rapidly deteriorated in 2001 and preliminary estimates for the year indicate total arrivals to the U.S. likely decreased 12.6% to 44.5 million. Economic weakness in many of the top markets caused a 5% decline in arrivals through the first eight months of the year. Following September 11th, demand plummeted and arrivals were off by nearly 30% in the last four months of the year.

The effects of the terrorist attacks on travel demand were most acute in the Asian markets, where demand plummeted more than 50% during the last 4 months of the year. Recent data suggest that the worst may be over and that a modest recovery can be expected for 2002. Forecasters anticipate slow growth through 2002 and 2003, with arrivals reaching their 2000 levels in 2004. Canada, Mexico, the United Kingdom, Japan and Germany were the top U.S. markets in 2001, each recording more than one million visitors to the U.S. Predictably, most international visitation occurred at major urban centers or "gateways" within the U.S., notably, New York, Los Angeles, Miami, Orlando, San Francisco, Las Vegas, Washington D.C., Chicago and Boston. However, once international visitors arrive at the gateway city, many travel to other destinations. Thus many non-gateway destinations still attract a significant number of international visitors. One of the changes in travel behavior as a result of September 11th has been a shift towards "undiscovered" destinations within the U.S., which are seen as attractive alternatives to traditional urban centers because they are perceived as safer destinations.



SOURCE: OTTI, U.S. Department of Commerce

U.S. Overseas Arrivals – Western State Market Share 2000



Gateway Cities

Los Angeles	13.6%
San Francisco	10.9%
Las Vegas	8.7%

Other Destinations

San Diego	2.7%
San Jose	1.9%
Anaheim	1.9%
Seattle	1.6%
Grand Canyon	1.5%
Phoenix	1.3%
Denver	1.1%
Salt Lake City	0.6%

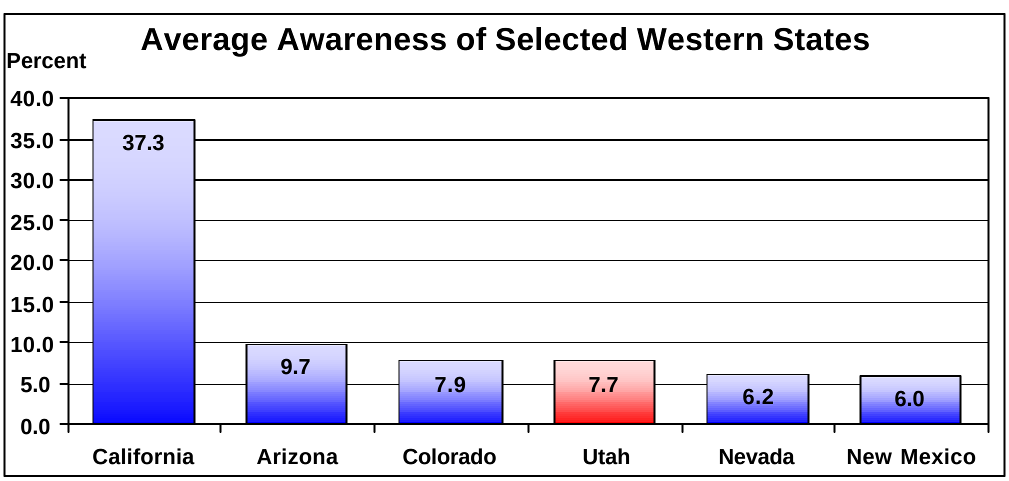
Top Ten International Markets

Rank	U.S. (2001)	Utah (1999)
1	Canada	Canada
2	Mexico	Germany
3	U.K.	France
4	Japan	U.K.
5	Germany	Japan
6	France	Netherlands
7	Brazil	Italy
8	South Korea	Switzerland
9	Venezuela	Australia
10	Italy	Belgium

SOURCE: OTTI, U.S. Dept. of Commerce

In 2000, the average international visitor to the United States stayed 15.6 nights within the country and visited 1.6 states or 2.1 specific destinations. Within the western U.S., Los Angeles, San Francisco and Las Vegas are the major gateway cities. Other major western cities such as San Diego, San Jose, Seattle, Phoenix, Denver, and Salt Lake City attract smaller numbers of travelers. Well-known national parks such as Grand Canyon and Yosemite as well as other parks such as Yellowstone, Bryce Canyon and Zion are popular attractions for international visitors.

Visitation to a destination is usually positively correlated to awareness. A destination with a strong identity and a well-known image is more likely to receive attention from international travelers. Within the U.S., awareness varies greatly. Some states such as California have a high level of awareness both for the state and in-state destinations. Other states such as Nevada are better known for a destination (Las Vegas) as opposed to the state as a whole. The challenge to Utah and other lesser-known destinations is to overcome barriers of awareness. Research is currently underway to document both Utah's existing level of awareness in key international markets (prior to the Olympics) as well as the post-Olympic level of awareness. In addition, further research suggests several strategies to overcome awareness barriers such as referencing the nearest well-known gateway city in advertising and promotion or providing a user-friendly choice of itineraries and/or packages via the Internet or other collateral materials.

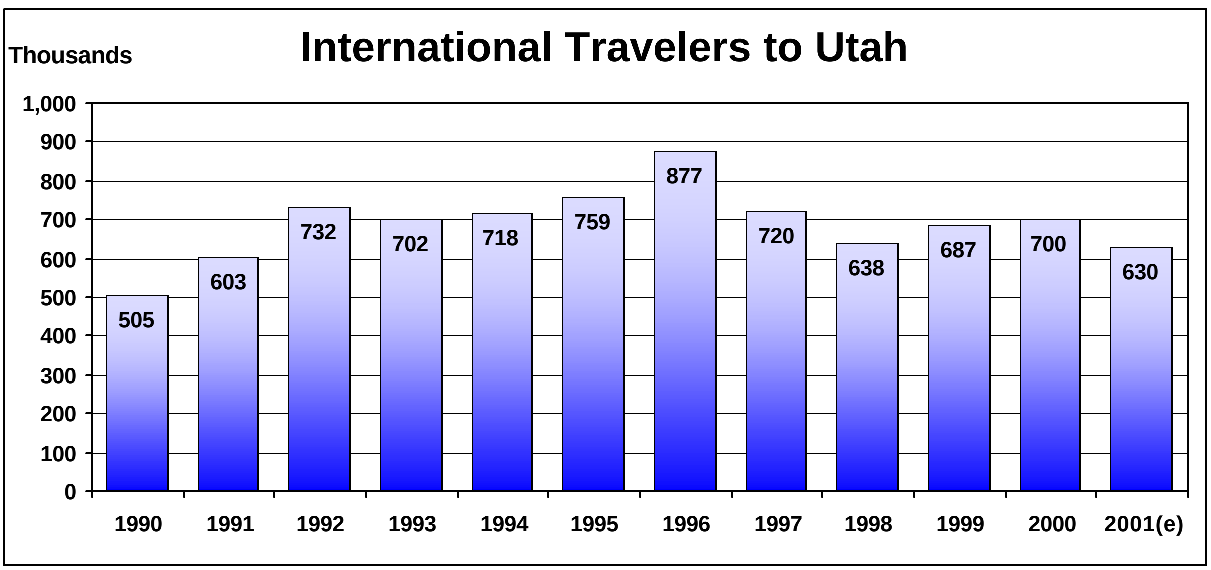


SOURCE: International Awareness & Image Surveys, Utah Travel Council, 1999-2000

INTERNATIONAL TRAVEL TO UTAH

International travel to Utah represents an important traveler segment for the state. The international travel segment exhibits tremendous growth potential for higher value visitors to the state. International travelers are typically more affluent, stay longer, and are more likely to participate in spending activities than their U.S. counterparts.

In general, international travelers are sensitive to the economic conditions in their home country as well as external shocks that effect travel demand. For example, the Gulf War, the Asian financial crisis, and most recently the effects of September 11th and a global economic recession significantly impacted international travel to Utah. Indeed, after two consecutive years of growth following the Asian financial crisis, early figures indicate that international visitor arrivals to Utah in 2001 fell to an estimated 630,000, their lowest level in a decade. A significant decrease in Canadian, German, and Japanese travel to the U.S. is largely responsible for the decline, although arrivals declined from nearly every major market. Despite the poor performance of the sector in 2001, improving economic circumstances, restored confidence in air travel and destination safety, and the increased awareness and attention directed towards the state's many attractions during the 2002 Winter Olympic Games should stimulate short term growth. ***However, any further shocks to traveler confidence due to unstable economic conditions, escalating terrorist threats or actual events could significantly erode demand recovery.***



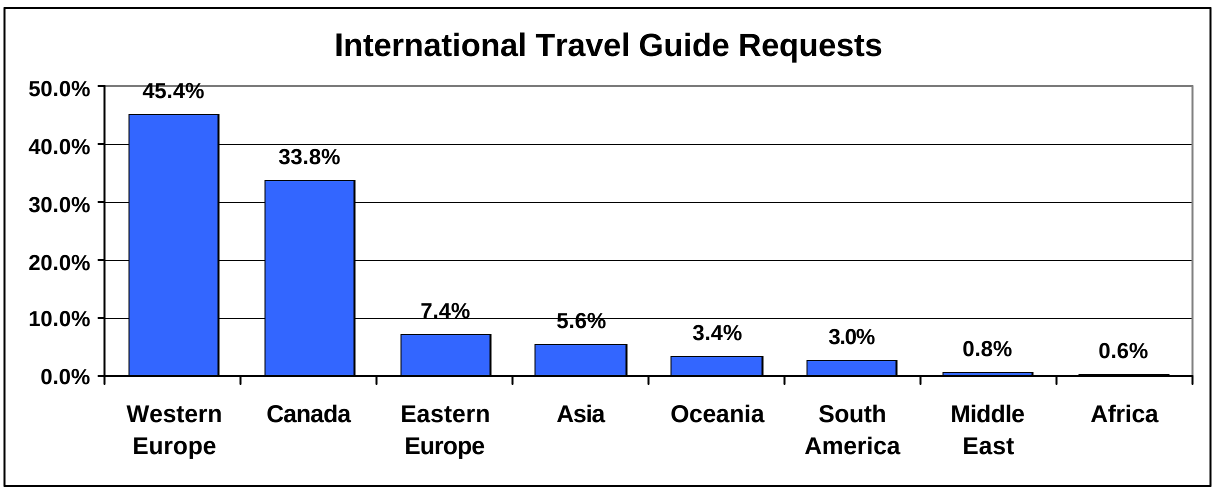
SOURCE: OTTI, U.S. Department of Commerce

A 1999 profile of overseas visitors (excluding Canada and Mexico) to Utah revealed the following information about international travelers to Utah:

- Nearly 70% are repeat visitors to the U.S.
- Over a fifth have household incomes above $100,000; average household income is $72,800
- 65% reported using a travel agency to gather information; 30% reported buying a package
- Over 80% are leisure travelers

- Average per-trip spending is $460, nearly 50% higher than domestic travelers
- Other frequent destinations visited by Utah visitors included California (70%), Nevada (58%) and Arizona (55%)
- Specific destinations visited by Utah visitors included Las Vegas (53%), San Francisco (42%), Los Angeles (40%) and Grand Canyon (32%)
- Over 75% stay in a hotel or motel (compared to 50% of domestic travelers)
- Shopping, dining, and visiting national parks, cities, historic sites, countryside and small towns are the most popular activities
- Visitors tend to visit either Salt Lake City or Southern Utah's national parks, but not both
- Utah attracts roughly 10% of the overseas visitors that travel to Las Vegas

During 2001, over 5,600 requests for the *Utah! Travel Guide* originated from international inquirers, representing 10% of the total. Requests were received from 97 countries. The majority of requests originated from Western Europe and Canada. Western European countries, led by the United Kingdom, Germany, Netherlands and France, were responsible for 45% of all international inquiries. Canadian requests comprised another 34% of total international inquiries. A growing number of requests were also received from developing countries in Eastern Europe, Asia and South America. For example, India, Czech Republic, Brazil, Russia, Ukraine, and Indonesia all ranked in the top twenty as countries most frequently requesting Utah information during the year.



SOURCE: Utah Travel Council, Jan. 2002

The following pages reflect an evaluation of specific international markets in North America, Europe and Asia based on a wide range of indicators including:

– Economy and Growth Prospects
– Exchange Rate
– Language Resources
– Technology Aptitude
– Seasonal and Segment Preferences
– Historic U.S. & Utah Travel Patterns
– Exogenous Social and Political Factors
– Olympic Interest
– Distribution Infrastructure

NORTH AMERICA

CANADA
MEXICO

Canada

ECONOMY. The Canadian economy has performed relatively well during the past several years. High growth rates in the latter half of the 1990s led to declining unemployment and increasing personal consumption. Low inflation has helped translate economic growth into real income gains for consumers. Canada's economy was among the strongest during the downturn in 2001 and its 1.5% real growth rate exceeded that of the U.S. Expectations are for moderate growth in 2002 as a global recovery begins with strong growth returning in 2003.

EXCHANGE RATE. Canadian travelers are among the most sensitive to exchange rate fluctuations. The decline of the Canadian dollar relative to the US dollar has dampened demand for travel to the U.S. As of mid-2002, the exchange rate had improved from the first of the year to approximately US$0.65. The fact that the Canadian dollar failed to significantly appreciate against the U.S. dollar while the Canadian economy outpaced the U.S. economy does not bode well for sustained strengthening of the Canadian dollar. Most analysts expect the Canadian dollar to appreciate slightly in the coming year, but anticipate that it will remain below $0.70. Despite difficulty with the exchange rate, Canadian travelers will still travel to U.S. destinations if they perceive the value to be high.

LANGUAGE RESOURCES. No specific language resources are necessary.

TECHNOLOGY APTITUDE. Canada is among the leaders in Internet usage, with over 40% of the population reportedly online. Access costs remain low, even compared to the U.S. and economic prosperity has made technology available to large numbers of consumers. Similarly, indicators suggest that more than a third of Canadian households own a computer. However, mobile telephones are not as popular in Canada as elsewhere, although the number of phones relative to the population remains on par with other countries such as Germany and France.

SEASONS & SEGMENTS. Canadian travelers most commonly visit Utah during the first and third quarters of the year, although visitation is fairly evenly distributed year round. However, ***visitation patterns from nearby destinations such as Las Vegas and Arizona suggest that visitation is significantly higher during the winter months than during other times of the year***. Utah's traditional strengths in the Canadian market have been auto travelers from the western provinces of Alberta and British Columbia. Leisure travel represents approximately 80% of Canadian visitation to Utah, including a sizeable segment that travel to visit friends and relatives (20%). An opportunity may exist to attract larger numbers of visitors from Eastern Canada, who are frequent visitors to both Arizona and Las Vegas.

HISTORIC VISITATION. Canada represents the single largest International market for both the U.S. and Utah. Although the U.S. attracts nearly ¾ of long haul Canadian travelers, visitation has declined for much of the past decade, largely a result of disadvantageous exchange rates and a shift away from the U.S. towards other destinations In Europe, Mexico, the Caribbean, and Asia that offer new attractions and better value. Visitation patterns to Utah have closely mirrored that of the U.S., although the declines have been relatively less significant in Utah than in the U.S. In each year since 1992, Utah has attracted between 120 and 150 thousand Canadian visitors.

SOCIAL & POLITICAL FACTORS. The shift away from intercontinental travel following September 11th should focus demand back on the United States. The familiarity of the U.S. market to the Canadian consumer should help restore confidence in travel to the U.S. However, concerns about safety remain in place. Consider the following warning from the Canadian government regarding travel within the U.S.: "Attacks on tourists have decreased, but violent crime remains a serious concern. Criminals have demonstrated that they will use violence with little or no provocation… never start a journey by car unless you know the precise route… remain on well-traveled and well-lit streets and highways… restrict driving to daylight hours."

OLYMPIC INTEREST. Canadian broadcasters reported record ratings during the Salt Lake Games, boosted by the attention of the pairs figure skating controversy and the success of the Canadian hockey teams. Results from television broadcasters suggest nearly 90% of the total Canadian population (roughly 28 million people) watched the Salt Lake City Olympics. Further research indicates that on average, each television viewer watched just over 19 hours of Olympic broadcast. With a favorable broadcast schedule and success in figure skating, speed skating, curling and especially ice hockey, the attention of Canadians on the Games was very strong. Interest in winter sports is high in Canada, as evidenced by its 96 Winter Olympic medals since 1924 (including 17 in Salt Lake City). What is less clear, however, is the likelihood of Canadians to travel to participate in winter sports rather than the usual winter sun destinations.

DISTRIBUTION INFRASTRUCTURE. Access to Utah from Canada is easier than from any other international market. In addition to the convenient highway system that makes drive traffic possible, the Salt Lake International Airport offers four scheduled direct, non-stop flights to Canada (Calgary and Vancouver). By contrast, McCarran International Airport in Las Vegas offers eight scheduled direct non-stop flights (Toronto, Vancouver and Calgary) and 12 charter flights (Toronto, Vancouver, Calgary, Edmonton, and Winnipeg). The charter flights are increased during winter months adding as many as 10 additional flights. America West also recently added direct nonstop service from Toronto to Phoenix, in addition to existing service from Vancouver and Calgary. Air Canada also operates direct nonstop routes to Phoenix.

UTAH VISITORS FROM CANADA SUMMARY - 1999/2000

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
18-34 Years	20%
35-54 Years	32%
55+ Years	42%
Not Answered	5%

GENDER	
Men	50%
Women	45%
Not Answered	5%

PROVINCE OF RESIDENCE	
Eastern Provinces	***18%***
Ontario	16%
Prairie Provinces	***12%***
Saskatchewan	8%
Manitoba	4%
Western Provinces	***70%***
Alberta	51%
British Columbia	19%

PARTY COMPOSITION	
Alone	14%
2 Adults	42%
3+ Adults	25%
Adult(s) w/ Children	14%
Not Answered	5%

TRAVELING PARTY SIZE	
Avg. Travel Party (mean)	2.2
1 Person	16%
2 Persons	44%
3-4 Persons	23%
5-9 Persons	12%
10+ Persons	5%

TRAVEL PATTERNS

QUARTER OF VISIT	
January - March	29%
April - June	24%
July - September	28%
October - December	20%

LENGTH OF STAY	
1 Night	35%
2 Nights	20%
3-6 Nights	23%
7+ Nights	22%
Avg. Length of Stay (Nights)	3.61

TRANSPORTATION	
Auto	65%
Plane	30%
Other	5%

ACCOMMODATION	
Hotel/Motel Only	48%
Private Home	12%
Combination of 2+ Types	11%
Camping	9%
Other	2%
None Reported	17%

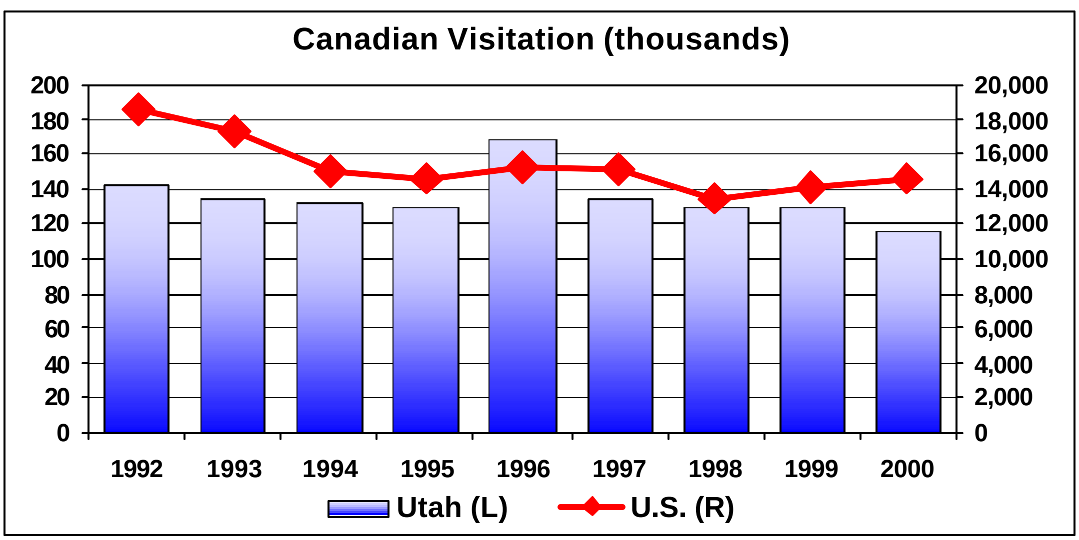
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	80%
Holiday/Vacation	52%
Visit Friends/Relatives	20%
Other Leisure	10%
Business & Convention	20%
Convention/Conference	6%
Meetings	5%
Other Work	4%
Other Personal	5%

TRIP SPENDING	
Less than $199	30%
$200-$499	29%
$500-$999	18%
$1,000-$1,999	12%
$2,000+	12%
Avg. Trip Spending	$310
Avg. Daily Spending	$85

PERFORMANCE	
Annual Overnight Visitors (000s)	122.6
Total Annual Spending (millions)	$45.8

*SOURCE: Statistics Canada, *International Travel Survey* : Canadian Residents - 1999/2000



SOURCE: Statistics Canada

Mexico

ECONOMY. During the rapid economic expansion in the U.S., close trading ties and the benefits of NAFTA translated into strong economic growth in Mexico. With the slump in the U.S. economy during the latter half of 2000 and 2001, Mexico entered a recession. Inflation has been problematic in Mexico, especially following the currency crisis in the mid 1990s. Mexico's unemployment rate has risen steadily over the past several years, although it is difficult to know whether employment numbers have changed, or whether the reporting has improved. While the standard of living is improving for consumers in general, economic inequalities are also growing. Growth in Mexico is highly dependent on economic activity in the U.S. When growth rates are high, Mexico's economy performs well. When growth stagnates, Mexico generally enters a recession. Developing more economic diversity and addressing structural problems will continue to be important to Mexico's long-term prospects.

EXCHANGE RATE. The Peso is one currency that has made gains versus the dollar in recent years, gaining nearly 5% on the U.S. dollar since January 2000. The exchange rate is less of a problem in Mexico than general economic inequality. For those who can afford to travel, the exchange rate has little impact. For those who cannot afford to travel to the U.S., changes in the exchange rate are meaningless since small fluctuations do not make travel affordable.

LANGUAGE RESOURCES. Most travel to the U.S. from Mexico is to areas where Spanish is spoken frequently. Spanish language resources are common in the U.S., especially destinations that attract Hispanic visitors and residents.

TECHNOLOGY APTITUDE. Mexico does not have a developed infrastructure to accommodate either Internet use or mobile phone networks. Nor are households affluent enough to purchase personal computers. As a result, Mexico lags most other nations in their adoption of technology.

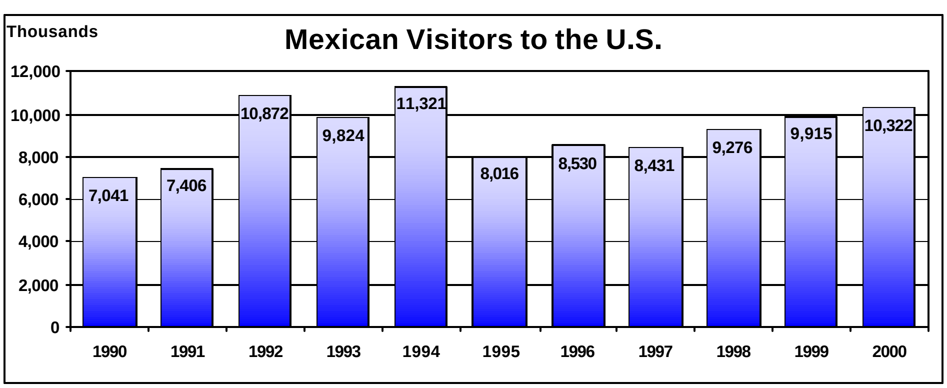
SEASONS & SEGMENTS. Business connections and the friends and family market represent large segments of Mexican visitors to the U.S. California, Florida, and Texas account for more than 50% of all Mexican visitors to the U.S. Border states Arizona and New Mexico also attract large numbers of Mexican visitors each year. Very little data exists about Mexican travelers to the U.S. Outdoor recreation has not been a strong segment for Mexican travelers.

HISTORIC VISITATION. Mexico is the second largest international market to the U.S. However, visitors from Mexico have concentrated in very few locations in the U.S. Nonetheless, the size of the market in 2000 topped 10 million visitors. The U.S. maintains a market share above 90% among international travelers from Mexico.

SOCIAL & POLITICAL FACTORS. The Mexican government is pushing for closer relationships with the U.S. Current Mexican President Vicente Fox has expressed a great deal of interest in expanding business relationships with U.S. firms through NAFTA and in easing immigration restrictions for Mexican citizens, many of whom already live and work illegally in the U.S. Hispanics are the fastest growing population group in Utah and as the Hispanic population increases, the friends and family market will also increase. In addition, many business linkages between Mexico and Utah stimulate business travel to and from the two markets. One obstacle to additional growth from the Mexican market is the difficult visa approval process. Cost increases and time delays have prompted some operators to encourage visitation to destinations with less stringent border requirements (e.g. Canada).

OLYMPIC INTEREST. The impact of the Olympics on future visitation will likely be tied to the ability to exploit possible increases in awareness into visits from Mexico's niche ski market as well as leverage awareness towards Utah's warm-weather recreational opportunities. Estimates of television viewership suggest over 54 million Mexicans each watched an average of 9 hours of Olympic coverage. The success of several Hispanic-American athletes likely stimulated additional interest in this year's Olympic Games.

DISTRIBUTION INFRASTRUCTURE. Salt Lake International Airport currently offers direct nonstop service to a few cities in Mexico. Las Vegas offers 12 direct nonstop routes. Transportation to and from Mexico is relatively easy for air travelers, although expensive for most Mexican consumers.



SOURCE: OTTI, U.S. Department of Commerce

EUROPE

GERMANY
FRANCE
UNITED KINGDOM
NETHERLANDS
ITALY
SCANDINAVIA
SWITZERLAND
SPAIN
BELGIUM
AUSTRIA

Germany

ECONOMY. The German economy has struggled through much of the past several years with growth rates below many other European countries. During 2001, growth was minimal leading to declining consumer confidence and increasing employment uncertainty. However, despite lackluster growth and increasing uncertainty, the unemployment rate declined for the fifth consecutive year and inflation remains low. Continued market reforms should help stabilize the German economy and accelerate growth in future years. Growth in 2002 is expected to remain flat before rebounding considerably in 2003. Significant tax reforms scheduled to take effect in 2002 should bolster personal incomes and improve consumer expectations for the coming year.

EXCHANGE RATE. Transition to the Euro has been hard on consumer confidence and inflation. Uncertainty in the domestic currency change has prompted inflationary pressures on domestic prices in nearly every sector of the economy, including travel. After struggling since its adoption a few years ago, the Euro has risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. Despite the language differences between Germany and the U.S., many German consumers are experienced international travelers and are comfortable in foreign environments. In addition, the FIT market in Germany remains strong, suggesting that language barriers are not as significant to German consumers as elsewhere.

TECHNOLOGY APTITUDE. Mobile phone use and the Internet have taken longer to assimilate into the German market compared to other advanced economies. One reason for this may be the high cost of phone use that has limited access. However, computer use is high and the country boasts a developed IT sector, which should provide infrastructure for quick future adaptation as prices moderate.

SEASONS & SEGMENTS. The German market is more likely to participate in warm weather activities. The main activity segments of German travelers visiting the United States are sightseeing (arts and culture – the "American Way of Life" enjoys almost cult status among many Germans), theme parks, shopping, beach vacations, nature appreciation (national parks), history and scenery, and soft adventures (rafting, mountain biking, Native American culture, casino visits).

HISTORIC VISITATION. U.S. arrivals from Germany have grown steadily throughout the last decade with few exceptions. Germany is Utah's top overseas market and remains a top market for the U.S. as a whole. However, while the U.S. remains the preferred destination among German long haul travelers, it has consistently lost market share in recent years to North Africa, Southeast Asia, Latin America and the Caribbean. Utah remains one of the top destinations visited by German travelers to the U.S. However, estimates indicate a significant decline in the number of German travelers to Utah beginning in 1997 and a further decline in German travel to Utah in 2000 and 2001.

SOCIAL & POLITICAL FACTORS. German travelers have shown sensitivity to safety concerns. According to a recent report, 45% of surveyed travelers noted crime as the biggest complaint from German tourists returning from the U.S. A dramatic downturn in German visitation followed a well-publicized attack in Florida in the mid 1990s. However, the decline was temporary, and the numbers have since outpaced previous levels. On the other hand, German visitors to New York seem unperturbed by risks of crime or violence, as they apparently associate crime or violence with big cities.

OLYMPIC INTEREST. Germany is the powerhouse of the Winter Olympics, having accumulated 300 Winter Olympic medals since 1924 (including 35 in Salt Lake). Despite German interest and participation in winter sports, the U.S. has not been a winter sports destination for most German travelers. Nonetheless, Germany is the third largest source of international skiers to Utah, behind only Canada and the U.K. The success of Olympic athletes in Utah as well as the hosting of future world-class competitions should bolster interest in the state. The Olympic television audience in Germany was estimated at over 70 million people who each watched nearly 11 hours of Olympic coverage. The key to the German travel market will likely be how well the state is able to leverage the increased awareness of Salt Lake City as an Olympic city into a gateway for warm weather activities.

DISTRIBUTION INFRASTRUCTURE. Less than 50% of German trips are booked through a traditional travel agency or tour operator. However, many people still rely on travel agencies and tour operators to gather information, suggesting that relationships with the existing distribution infrastructure are still important. Germany's tour operators continue to consolidate, typically becoming larger and more integrated. The top German tour operators to North America are FTI, DERTOUR, LTU Touristik, TUI, and ADAC. Salt Lake City offers no direct nonstop air service to Germany. However, Condor, Lufthansa's charter affiliate, has previously offered weekly flights to Las Vegas from Frankfurt and officials anticipate reinstatement of regular service in Summer 2002.

UTAH VISITORS FROM GERMANY SUMMARY - 1997-1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	40.4
18-34 Years	39%
35-54 Years	44%
55+ Years	17%

GENDER	
Men	69%
Women	31%

HOUSEHOLD INCOME ($US)	
Average HH Income	$69,800
< $40,000	29%
$40,000 - $80,000	37%
$80,000 - $120,000	21%
$120,000+	13%

PARTY COMPOSITION	
Avg. Travel Party (mean)	1.6
Family/Relatives	40%
Spouse	32%
Friends	20%
Traveling Alone	20%
Tour Group	3%
Business Associates	1%
Adults Only	88%
Adults and Children	12%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	63%
U.S. Trips last 12 Months	1.4
U.S. Trips last 5 Years	3.2
1 Trip	46%
2 - 5 Trips	39%
5+ Trips	15%

OTHER DESTINATIONS VISITED	
# of States Visited	4.1
# of Destinations Visited	6.0
California	82%
San Francisco	52%
Los Angeles	44%
San Diego	17%
Yosemite N.P.	17%
Nevada	72%
Las Vegas	64%
Arizona	71%
Grand Canyon N.P.	38%
Phoenix	9%
Colorado	14%
Wyoming	13%
Yellowstone N.P.	10%
New York	9%
New York City	8%
New Mexico	7%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	153 Days
Advance Air Reservations	103 Days
Use of Pre-Booked Lodging	68%

USE OF PACKAGES	
YES	28%
Air/Lodging	18%
Guided Tour	13%
Air/Rental Car	12%
Air/Lodging/Tour	10%
Air/Lodging/Bus	9%
Air/Lodging/Bus/Tour	8%
Air/Lodging/Rental Car	7%
Advance Package Booking	121 Days
# of Nights Pre-paid as Part of a Package	14.0

INFORMATION SOURCES	
State/City Travel Office	48%
Travel Guides	47%
Travel Agency	46%
Friends/Relatives	30%
Personal Computer	14%
Tour Company	13%
Newspapers/Magazines	10%
Airlines Directly	5%
Other	11%

ACCOMMODATIONS	
Hotel/Motel	71%
Private Home	6%
Other	25%

TRANSPORTATION IN U.S.	
Rented Auto	70%
Airlines in U.S.	24%
City Subway/Tram/Bus	16%
Taxi/Cab/Limousine	16%
Company or Private Auto	16%
Motor Home/Camper	11%
Bus Between Cities	6%
Other	3%

LENGTH OF STAY	
# of Nights In UT (mean)	4.4
# of Nights in US (mean)	22.9

UTAH DESTINATIONS VISITED	
Bryce Canyon N.P.	31%
Salt Lake City	21%
Zion N.P.	15%
Monument Valley	8%
Glen Canyon	4%

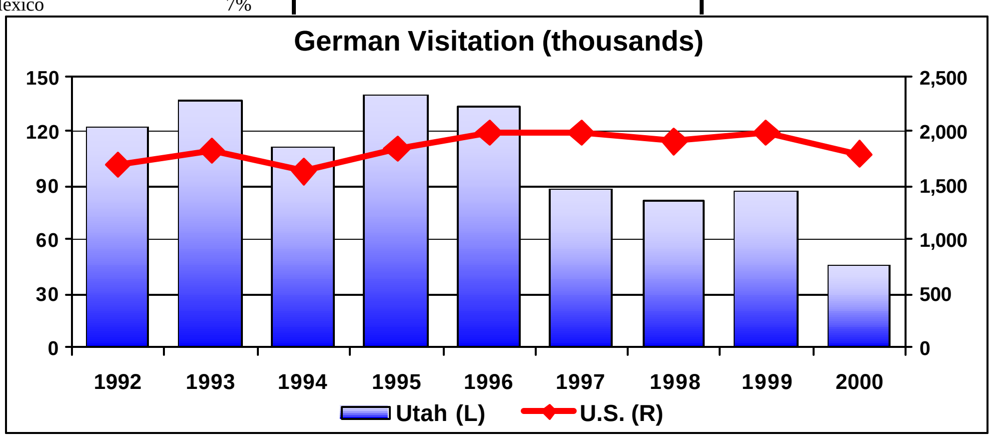
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	95%
Leisure/Rec./Holidays	91%
Visit Friends/Relatives	4%
Business & Convention	5%
Business/Professional	4%
Convention/Conference	1%
Study/Teaching	1%

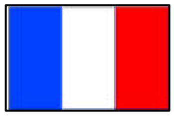
PORT OF ENTRY	
Los Angeles	26%
San Francisco	16%
Chicago	9%
New York	8%

LEISURE ACTIVITIES	
Visit National Parks	94%
Shopping	86%
Dining in Restaurants	77%
Touring Countryside	67%
Visit Historic Places	67%
Cultural or Heritage Sites	55%
Amusement/Theme Parks	53%
Sightseeing in Cities	53%
Visit Small Towns	53%
Casinos/Gambling	51%
Camping/Hiking	35%
Visit Am. Indian Comm.	30%
Guided Tours	29%
Water Sports/Sunbathing	28%
Art Gallery/Museum	26%
Concert/Play/Musical	15%
Ethnic Heritage Sites	10%
Nightclubs/Dancing	7%
Attend Sports Event	7%
Environ./Eco Excursions	5%
Cruises	4%
Golfing/Tennis	3%
Snow Skiing	2%
Ranch Vacations	2%
Hunting/Fishing	1%

PERFORMANCE	
Total Int'l. Visitation (000s)	87
Market Share	4.4%
Avg. Spending Per-Visitor-Per-Day (mean)	$78



SOURCE: OTTI, U.S. Department of Commerce



France

ECONOMY. The French economy led the Euro zone for much of the last few years with growth rates above 3%. Even during the slowdown and recession in 2000 and 2001, contraction began in France later than most other advanced economies. Further, the downturn appears to have been less severe than elsewhere. In addition, growth in incomes has significantly outpaced inflation, meaning higher income for French consumers. However, although unemployment has fallen in recent years, labor market rigidity remains a problem and unemployment remains between 9.0% and 9.5%. As in Germany, growth rates will likely be sluggish through 2002 before rebounding in 2003.

EXCHANGE RATE. Transition to the Euro has been easier in France than elsewhere in the Euro zone. However, because of the interconnected relationship between the large European economies and their inability to sustain growth in the wake of a US slowdown, the Euro has struggled against the U.S. dollar. Nonetheless, the Euro has recently risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. The French consumer is highly individualistic and because familiarity with English is limited, many French travelers prefer to book vacations via travel trade. Making information available to travel agencies in French is crucial to establish demand, since even those interested in FIT travel usually obtain information from trade organizations before booking on their own.

TECHNOLOGY APTITUDE. Internet use has not increased in France like in other developed countries, despite having relatively low access costs. Likewise, a smaller percentage of French households own computers and mobile phones than elsewhere in Europe. This makes traditional information distribution outlets more important in France than elsewhere.

SEASONS & SEGMENTS. Three types of holidays dominate French outbound travel: touring, sun & beach, and city holidays. A government mandated reduction in hours worked per week (from 39 to 35) has encouraged more short breaks. This has led to a corresponding decline in long-haul travel as more vacations are being made to closer destinations. Nonetheless, Utah's national parks remain the primary attraction for French tourists to the state.

HISTORIC VISITATION. France remains the third largest European market for travel to the U.S. and in 1998 surpassed one million arrivals. The U.S. is the preferred long-haul destination among French travelers, and although the number of arrivals is still growing, the U.S. has lost significant market share to emerging destinations in North Africa and Southeast Asia. There is conflicting information regarding French visitation to Utah. Official estimates indicate a decline in the number of French arrivals to the state over the past few years, consistent with the trend to shorter vacations. However, anecdotal evidence from many sources suggest that actual visitation has not declined and may have even increased in recent years, particularly among FIT travelers interested in outdoor recreation and soft adventure activities.

SOCIAL & POLITICAL FACTORS. The most significant factor altering travel patterns in France is the change in the structure of the work week. Although most French workers enjoy five weeks of paid vacation time, the reduction in the work week is encouraging quick getaways to close destinations, including other locations in France, Spain, and North Africa. In addition, the recent gains in income levels combined with the change in demographics have prompted a surge in second-home buying. The popularity of second homes has dampened demand for long-haul travel among some segments, especially the 50+ segment.

OLYMPIC INTEREST. Since the first Winter Olympic Games, interest in the Games has been high in France. French athletes did reasonably well in Salt Lake, earning a total of 11 medals. However, the real interest among French viewers was generated from two high profile controversies. The first was the bid scandal that involved skiing icon and IOC member Jean Claude-Killy and the second involved the French pairs figure skating judge. Both events captured the public interest and received large amounts of coverage in the country. French television estimates suggest over 37 million people watched just over seven hours of Olympic coverage during the Games.

DISTRIBUTION INFRASTRUCTURE. Nearly half of all French travelers to Utah in recent years have arrived as part of a packaged tour. However, FIT travel is rapidly increasing, particularly among the adventure enthusiasts who have discovered Utah's southern recreation destinations. Delta Airline's alliance with Air France provides convenient connecting-flight options for French travelers to Utah, although no direct flights are available to either Salt Lake City or Las Vegas.

UTAH VISITORS FROM FRANCE SUMMARY - 1997-1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	44.0
18-34 Years	23%
35-54 Years	63%
55+ Years	14%

HOUSEHOLD INCOME ($US)	
Average HH Income	$68,000
< $40,000	28%
$40,000 - $80,000	42%
$80,000 - $120,000	18%
$120,000+	13%

PARTY COMPOSITION	
Avg. Travel Party (mean)	2.5
Spouse	49%
Family/Relatives	38%
Friends	17%
Tour Group	13%
Traveling Alone	11%
Business Associates	5%
Adults Only	84%
Adults and Children	16%

GENDER	
Men	68%
Women	32%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	59%
U.S. Trips last 12 Months	1.7
U.S. Trips last 5 Years	4.0
1 Trip	51%
2 - 5 Trips	34%
5+ Trips	15%

OTHER DESTINATIONS VISITED	
# of States Visited	3.9
# of Destinations Visited	5.7
California	80%
San Francisco	66%
Los Angeles	50%
Yosemite N.P.	19%
Nevada	74%
Las Vegas	70%
Arizona	72%
Grand Canyon N.P.	41%
Phoenix	19%
Tuscon	8%
New Mexico	11%
Albuquerque	8%
New York	10%
New York City	10%
Colorado	6%
Florida	6%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	131 Days
Advance Air Reservations	83 Days
Use of Pre-Booked Lodging	70%

USE OF PACKAGES	
YES	46%
Air/Lodging	33%
Guided Tour	28%
Air/Lodging/Tour	19%
Air/Lodging/Rental Car	17%
Air/Rental Car	16%
Air/Lodging/Bus	14%
Air/Lodging/Bus/Tour	14%
Advance Package Booking	91 Days
# of Nights Pre-paid as Part of a Package	13.6

INFORMATION SOURCES	
Travel Agency	75%
Airlines Directly	15%
Friends/Relatives	13%
Travel Guides	12%
Newspapers/Magazines	9%
Tour Company	8%
Personal Computer	4%
Corporate Travel Dept.	3%
Other	5%

ACCOMMODATIONS	
Hotel/Motel	89%
Private Home	3%
Other	9%

TRANSPORTATION IN U.S.	
Rented Auto	55%
Airlines in U.S.	41%
Taxi/Cab/Limousine	20%
Company or Private Auto	20%
City Subway/Tram/Bus	18%
Bus Between Cities	17%
Other	7%

LENGTH OF STAY	
# of Nights In UT (mean)	3.0
# of Nights in US (mean)	18.8

UTAH DESTINATIONS VISITED	
Bryce Canyon N.P.	35%
Monument Valley	23%
Salt Lake City	12%
Zion N.P.	11%
Glen Canyon	11%

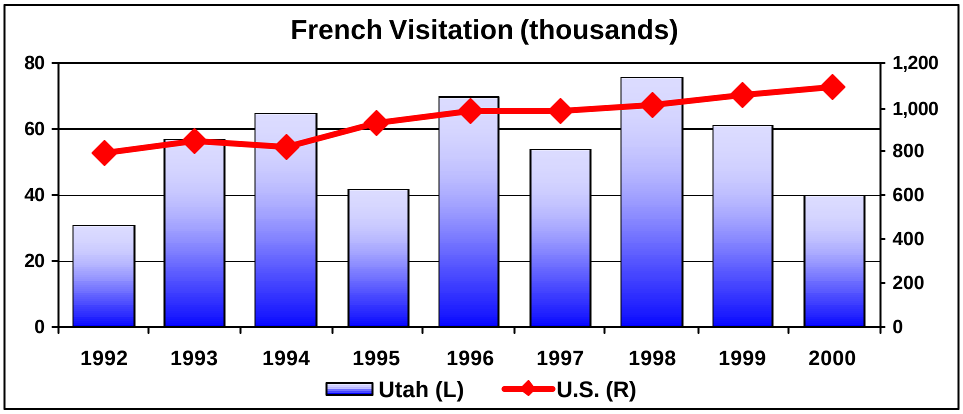
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	75%
Leisure/Rec./Holidays	71%
Visit Friends/Relatives	2%
Religious Pilgrimage	1%
Business & Convention	26%
Business/Professional	16%
Convention/Conference	9%
Study/Teaching	1%

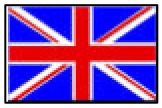
PORT OF ENTRY	
Los Angeles	19%
San Francisco	14%
New York	11%
Philadelphia	9%

LEISURE ACTIVITIES	
Visit National Parks	88%
Shopping	84%
Dining in Restaurants	75%
Casinos/Gambling	68%
Sightseeing in Cities	62%
Visit Small Towns	57%
Visit Historic Places	55%
Amusement/Theme Parks	46%
Guided Tours	34%
Visit Am. Indian Comm.	34%
Cultural or Heritage Sites	33%
Art Gallery/Museum	32%
Touring Countryside	29%
Environ./Eco Excursions	28%
Water Sports/Sunbathing	18%
Camping/Hiking	14%
Ethnic Heritage Sites	11%
Nightclubs/Dancing	9%
Concert/Play/Musical	3%
Attend Sports Event	2%
Ranch Vacations	2%
Cruises	2%
Snow Skiing	1%
Golfing/Tennis	1%
Hunting/Fishing	1%

PERFORMANCE	
Total Int'l. Visitation (000s)	61
Market Share	5.8%
Avg. Spending Per-Visitor-Per-Day (mean)	$71



SOURCE: OTTI, U.S. Department of Commerce



United Kingdom

ECONOMY. During the recent global economic downturn, the British economy has remained strong, posting growth rates greater than other developed economies. Indeed, although growth in the U.K. has tempered, it appears the economy will avoid recession entirely and should begin to accelerate with the rest of Europe as demand from the recovering U.S. economy increases. Inflation has been higher in the U.K. than elsewhere in Europe, although increases in personal income have remained above inflation, suggesting increased purchasing power. Unemployment has declined consistently throughout the last five years, bolstering consumer confidence and strengthening demand.

EXCHANGE RATE. The pound has suffered from its association with the Euro, declining nearly on par with the Euro since January 2000. However, recent gains in both currencies have pushed the exchange rate to approximately US$1.57 per pound. Because of the relative strength of the Pound, a U.S. holiday is still perceived as a bargain among most British consumers, and the effect of the current exchange rate outlook on travel demand should not deter travel demand. On the other hand, if the Pound strengthens versus the U.S. dollar, demand for U.S. vacations may improve.

LANGUAGE RESOURCES. No barriers to travel due to use of English language.

TECHNOLOGY APTITUDE. Adoption of the Internet in the UK trails only Scandinavia in its development. Access costs remain low compared to most other European countries. Other indicators of technological aptitude such as the number of mobile telephone subscribers and the number of computers per capita suggest significant progress in the U.K. relative to other European markets.

SEASONS & SEGMENTS. The U.S. is perceived as a year-round destination for U.K. travelers. While the summer months receive the most attention, a significant skier base also travels to the U.S. for winter holidays. As with other European markets, beach holidays, touring, and city holidays are attractive segments. There has been a recent demographic shift among U.K. travelers to the U.S., with increased attention on themed vacations and repeat visitors. Whereas first time visitors typically travel to Orlando or New York, the repeat visitor makes up the highest percentage of arrivals and is looking more towards themed breaks such as sports, heritage, culture and shopping. This reflects the wider vacation choice now available coupled with a willingness to try something new. The U.K. represents the second largest international ski market to Utah, trailing just Canada.

HISTORIC VISITATION. The U.K. became the largest overseas market for the U.S. during 2001 and many forecasters expect the U.K. to remain the top overseas market during the next several years. In contrast to other European markets that have lost market share to other destinations, the U.S. still dominates the U.K. long-haul market and has increased market share in recent years. Nonetheless, the U.S. faces increasing competition from Canada, Australia, and Latin America. Despite some fluctuations, the growth in the number of British arrivals to Utah generally follows the growth in the U.S.

SOCIAL & POLITICAL FACTORS. The U.K. market is likely to be the least affected by the September 11th terrorist incidents than any other overseas market. The relative familiarity with the U.S. combined with the relative frequency of terrorism incidents that have occurred within the U.K. increases the pace of demand recovery. The solidarity expressed between the U.S. and British governments in their response has also done much to temper adverse reactions among consumers.

OLYMPIC INTEREST. Due to the limited success of British athletes in the 2002 Olympic Winter Games, interest in the Games may have been less than elsewhere in Europe. However, evidence suggests that coverage of the Salt Lake Games was strong, although the number of hours people watched the Games was less than elsewhere in Europe. Britain's 38 million Olympic spectators watched on average nearly 4 hours of Olympic coverage. Because of the existing demand from the U.K. for winter recreation in the U.S., it is expected that the coverage of the Games should provide significant increases in awareness and interest among U.K. consumers, particularly among skiers.

DISTRIBUTION INFRASTRUCTURE. Packaged tours to the U.S. are relatively popular in the U.K. The top four U.K. operators are: Thomson, Airtours, Thomas Cook/Carlson and First Choice. Most consumers rely on tour operators and travel agencies to gather information and many also book packages through the operators. While no direct nonstop flights are available to Utah, Las Vegas has 2 direct nonstop flights from London and one from Manchester.

UTAH VISITORS FROM THE U.K. SUMMARY - 1997-1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	45.0
18-34 Years	31%
35-54 Years	37%
55+ Years	32%

HOUSEHOLD INCOME ($US)	
Average HH Income	$72,500
< $40,000	23%
$40,000 - $80,000	48%
$80,000 - $120,000	16%
$120,000+	13%

PARTY COMPOSITION	
Avg. Travel Party (mean)	1.8
Spouse	48%
Traveling Alone	24%
Family/Relatives	19%
Friends	10%
Business Associates	8%
Adults Only	97%
Adults and Children	3%

GENDER	
Men	63%
Women	37%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	85%
U.S. Trips last 12 Months	1.6
U.S. Trips last 5 Years	4.5
1 Trip	20%
2 - 5 Trips	60%
5+ Trips	20%

OTHER DESTINATIONS VISITED	
# of States Visited	3.4
# of Destinations Visited	5.1
California	46%
Los Angeles	24%
San Francisco	24%
Yosemite N.P.	9%
Nevada	42%
Las Vegas	38%
Arizona	47%
Grand Canyon N.P.	30%
Phoenix	15%
Wyoming	15%
Yellowstone	11%
New York	10%
New York City	9%
Colorado	18%
Denver	15%
Illinois	13%
Chicago	12%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	127 Days
Advance Air Reservations	91Days
Use of Pre-Booked Lodging	61%

USE OF PACKAGES	
YES	30%
Air/Lodging	20%
Air/Rental Car	16%
Guided Tour	15%
Air/Lodging/Rental Car	11%
Air/Lodging/Tour	7%
Air/Lodging/Bus	4%
Air/Lodging/Bus/Tour	3%
Advance Package Booking	127 Days
# of Nights Pre-paid as Part of a Package	11.5

INFORMATION SOURCES	
Travel Agency	70%
Friends/Relatives	18%
Travel Guides	17%
Airlines Directly	14%
Tour Company	13%
Personal Computer	12%
Newspapers/Magazines	11%
State/City Travel Office	5%
Other	5%

ACCOMMODATIONS	
Hotel/Motel	78%
Private Home	11%
Other	15%

TRANSPORTATION IN U.S.	
Rented Auto	52%
Airlines in U.S.	38%
Taxi/Cab/Limousine	30%
Company or Private Auto	30%
Bus Between Cities	12%
City Subway/Tram/Bus	11%
Other	5%

LENGTH OF STAY	
# of Nights In UT (mean)	9.7
# of Nights in US (mean)	23.4

UTAH DESTINATIONS VISITED	
Salt Lake City	36%
Bryce Canyon N.P.	23%
Zion N.P.	21%
Monument Valley	11%
Glen Canyon	5%

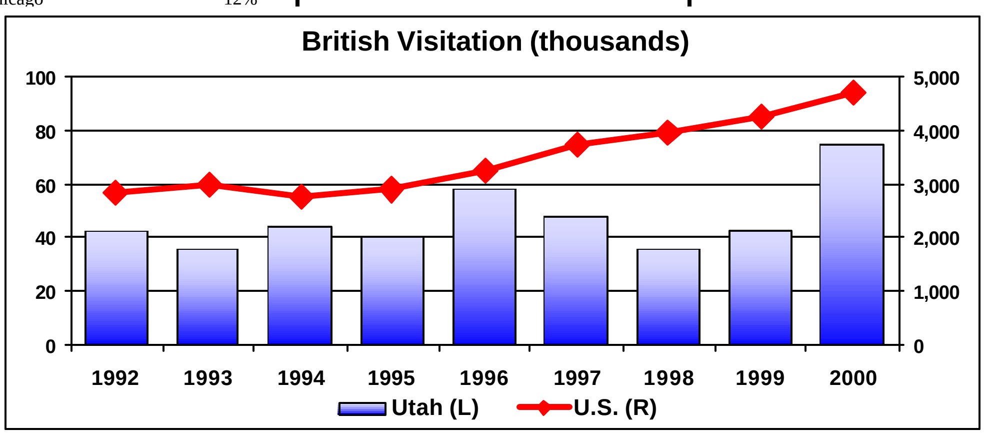
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	82%
Leisure/Rec./Holidays	66%
Visit Friends/Relatives	16%
Business & Convention	18%
Business/Professional	13%
Convention/Conference	5%

PORT OF ENTRY	
Los Angeles	19%
San Francisco	14%
Chicago	13%
Newark	7%

LEISURE ACTIVITIES	
Dining in Restaurants	96%
Shopping	84%
Touring Countryside	75%
Visit National Parks	74%
Sightseeing in Cities	57%
Visit Historic Places	55%
Visit Small Towns	52%
Cultural or Heritage Sites	45%
Visit Am. Indian Comm.	32%
Casinos/Gambling	29%
Amusement/Theme Parks	29%
Water Sports/Sunbathing	23%
Guided Tours	23%
Ethnic Heritage Sites	22%
Art Gallery/Museum	20%
Camping/Hiking	17%
Concert/Play/Musical	15%
Nightclubs/Dancing	14%
Attend Sports Event	13%
Snow Skiing	11%
Environ./Eco Excursions	8%
Ranch Vacations	5%
Golfing/Tennis	4%
Cruises	3%
Hunting/Fishing	3%

PERFORMANCE	
Total Int'l. Visitation (000s)	43
Market Share	1.0%
Avg. Spending Per-Visitor-Per-Day (mean)	$55



SOURCE: OTTI, U.S. Department of Commerce

Netherlands

ECONOMY. Growth in the Dutch economy was among the European leaders for much of the latter half of the 1990s. However, growth has leveled off in recent months, as the drag from Germany and France has dampened the Dutch economy. Nonetheless, as recovery accelerates in the Euro zone, growth will again return to the Netherlands. Unlike its larger neighbors, inflation has caused some concern, increasing more quickly than elsewhere in the Euro zone. However, income gains continue to outpace inflation and unemployment, already among the lowest in Europe, continues to fall.

EXCHANGE RATE. Transition to the Euro has been relatively uneventful. However, because of the interconnected relationship between the large European economies and their inability to sustain growth in the wake of a US slowdown, the Euro has struggled against the U.S. dollar. Nonetheless, the Euro has recently risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. A large majority of Dutch travelers to the U.S. are repeat visitors from the upper income and education groups. English is widely spoken among these groups. In addition, most Dutch travelers also have some fluency with either French or German, so materials for these markets can also be used in the Netherlands.

TECHNOLOGY APTITUDE. After Scandinavia, consumers from the Netherlands are the leading users of the Internet in Europe, perhaps reflecting the comfort of many users with English. Household computer use is also among the highest in Europe and the Netherlands continues to adopt new technology quickly.

SEASONS & SEGMENTS. Dutch travelers are predominantly warm weather travelers, even during the winter months. The most common activities are sun & beach activities. However, a large number of Dutch travelers pursue mountain activities. There is also an undeveloped ski market in the Netherlands that is just beginning to attract the attention of many ski destinations. Among Dutch travelers to Utah, an overwhelming majority travel to the national parks. Other common activities include touring and sightseeing. A growing number of Dutch travelers pursue travel independently, renting a car or RV and exploring the U.S. on their own or as part of a small group of family or friends.

HISTORIC VISITATION. The Netherlands has been one of the fastest growing markets for travel to the U.S., growing in each year during the 1990s except for a small decline in 1994. The U.S. remains the preferred long-haul destination, although increasing pressure from competitive destinations such as South Africa, Canada, Southeast Asia, Latin America and the Caribbean offer travelers increasingly more choices. Growth in Dutch visitation to Utah increased during the early 1990s, but has leveled off since declining slightly in 1997.

SOCIAL & POLITICAL FACTORS. Demand for travel to the U.S. was significantly affected by the terrorist attacks on September 11th. Similar to other European markets, many Dutch travelers replaced short trips to the U.S. with regional trips within Europe.

OLYMPIC INTEREST. The Netherlands are passionate followers of several Winter Olympic sports, most notably speed skating. The 8 medals won by Olympic participants in Salt Lake City bring the total number of Winter Olympic medals for the Netherlands to 69. Metered reports from television stations in the Netherlands suggests coverage of the Games was extensive, attracting nearly 14 million viewers for eight and a half hours each. For many viewers, Olympic coverage provided their first look at Utah as a vacation destination, with extensive reporting on Salt Lake City as a growing American city offering many recreational activities.

DISTRIBUTION INFRASTRUCTURE. A very high percentage of Dutch travelers obtain information via travel agencies, although a smaller number actually purchase packages. Although Salt Lake City offers no direct flights from the Netherlands, access is relatively easy through many East Coast gateways and numerous carriers with service to Amsterdam.

UTAH VISITORS FROM THE NETHERLANDS SUMMARY - 1997-1999*
Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	42.0
18-34 Years	38%
35-54 Years	45%
55+ Years	17%

HOUSEHOLD INCOME ($US)	
Average HH Income	$62,300
< $40,000	27%
$40,000 - $80,000	44%
$80,000 - $120,000	28%
$120,000+	2%

PARTY COMPOSITION	
Avg. Travel Party (mean)	1.9
Family/Relatives	44%
Spouse	33%
Friends	12%
Traveling Alone	11%
Business Associates	5%
Tour Group	2%
Adults Only	95%
Adults and Children	6%

GENDER	
Men	61%
Women	40%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	66%
U.S. Trips last 12 Months	1.3
U.S. Trips last 5 Years	3.0
1 Trip	39%
2 - 5 Trips	53%
5+ Trips	8%

OTHER DESTINATIONS VISITED	
# of States Visited	3.8
# of Destinations Visited	5.7
California	68%
San Francisco	32%
Los Angeles	32%
Yosemite N.P.	18%
Riverside/San Bernadino	12%
Death Valley N.P.	10%
Nevada	56%
Las Vegas	45%
Arizona	56%
Grand Canyon N.P.	29%
Colorado	24%
Denver	13%
Wyoming	12%
Yellowstone N.P.	9%
New York	11%
New York City	11%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	129 Days
Advance Air Reservations	85 Days
Use of Pre-Booked Lodging	71%

USE OF PACKAGES	
YES	32%
Air/Rental Car	20%
Air/Lodging	19%
Air/Lodging/Tour	10%
Guided Tour	7%
Air/Lodging/Rental Car	2%
Advance Package Booking	121 Days
# of Nights Pre-paid as Part of a Package	14.0

INFORMATION SOURCES	
Travel Agency	80%
Travel Guides	27%
Friends/Relatives	21%
Personal Computer	16%
Tour Company	7%
Newspapers/Magazines	6%
Airlines Directly	5%
State/City Travel Office	4%
Other	11%

ACCOMMODATIONS	
Hotel/Motel	72%
Private Home	12%
Other	21%

TRANSPORTATION IN U.S.	
Rented Auto	56%
Taxi/Cab/Limousine	36%
Airlines in U.S.	28%
City Subway/Tram/Bus	19%
Railroad Between Cities	18%
Company or Private Auto	15%
Bus Between Cities	11%
Motor Home/Camper	5%

LENGTH OF STAY	
# of Nights In UT (mean)	4.4
# of Nights in US (mean)	22.7

UTAH DESTINATIONS VISITED	
Bryce Canyon N.P.	27%
Salt Lake City	22%
Zion N.P.	14%
Monument Valley	6%
Glen Canyon	4%

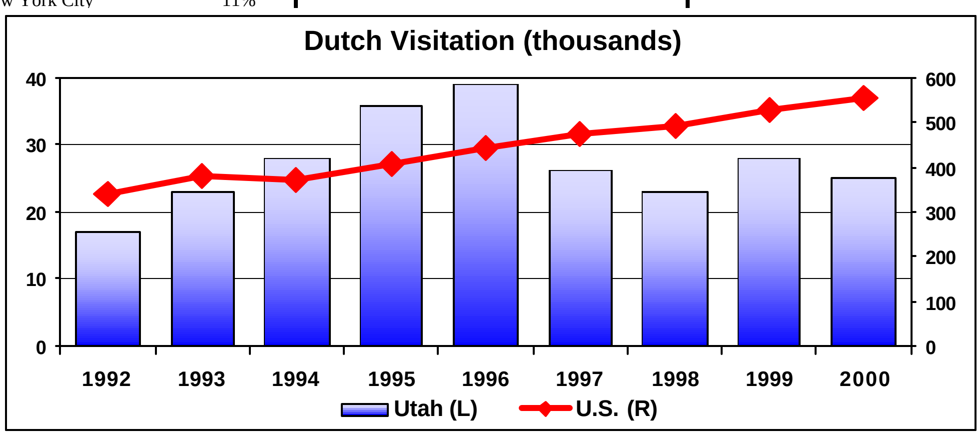
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	89%
Leisure/Rec./Holidays	79%
Visit Friends/Relatives	10%
Business & Convention	11%
Business/Professional	7%
Convention/Conference	3%
Study/Teaching	1%

PORT OF ENTRY	
Los Angeles	23%
Washington D.C.	15%
San Francisco	10%
Minneapolis/St. Paul	9%
New York	8%

LEISURE ACTIVITIES	
Visit National Parks	91%
Shopping	89%
Dining in Restaurants	88%
Touring Countryside	86%
Sightseeing in Cities	80%
Visit Historic Places	67%
Visit Small Towns	62%
Casinos/Gambling	48%
Amusement/Theme Parks	45%
Cultural or Heritage Sites	45%
Visit Am. Indian Comm.	43%
Art Gallery/Museum	35%
Camping/Hiking	33%
Guided Tours	25%
Water Sports/Sunbathing	25%
Concert/Play/Musical	20%
Golfing/Tennis	9%
Environ./Eco Excursions	8%
Nightclubs/Dancing	8%
Attend Sports Event	5%
Snow Skiing	5%
Ethnic Heritage Sites	5%
Cruises	2%
Ranch Vacations	1%
Hunting/Fishing	--

PERFORMANCE	
Total Int'l. Visitation (000s)	28
Market Share	5.4%
Avg. Spending Per-Visitor-Per-Day (mean)	$74



SOURCE: OTTI, U.S. Department of Commerce

Italy

ECONOMY. The Italian economy has struggled with low growth rates for the last five years. Nascent signs of growth were quickly overshadowed by the downturn in Germany and elsewhere in Europe that placed a drag on Italy's economy. Income growth has kept pace with inflation, and unemployment has decreased to levels on par with Germany and France. Short-term expectations for the Italian economy mirror expectations for the Euro area in general; slow growth in 2002 with increasing growth in 2003.

EXCHANGE RATE. Transition to the Euro has been relatively uneventful, although significant declines in the dollar/lira exchange rate in the early 1990s hurt the permanent exchange rate of the lira/Euro. Nonetheless, the use of the Euro in Italy represents an improvement from the more volatile lira. However, because of the interconnected relationship between the large European economies and their inability to sustain growth in the wake of a US slowdown, the Euro has struggled against the U.S. dollar. Nonetheless, the Euro has recently risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. A large majority of Italian travelers to the U.S. are repeat visitors from the upper income and education groups. English is widely spoken among these groups. Most travel is independent and Italians pride themselves on being able to travel without restrictions within the U.S.

TECHNOLOGY APTITUDE. Internet use in Italy, like in France, lags other developed European economies. However, unlike France, mobile telephones are popular and may represent the future of Internet access and use.

SEASONS & SEGMENTS. The typical Italian traveler to the U.S. is sightseeing in cities and touring the countryside. Many enjoy traveling independently and often combine major gateway cities with other high profile attractions such as national parks, historic places and cultural & heritage destinations. An overwhelming majority of Italians visiting Utah are touring the national parks.

HISTORIC VISITATION. Due to the unfavorable exchange rate in the early 1990s, visitation declined steadily from 1992 to 1996. In 1997, the number of U.S. arrivals from Italy jumped and has since stabilized. Italian arrivals to Utah have increased significantly since the early 1990s, perhaps a reflection of the repeat visitor to the U.S. exploring beyond the traditional destinations.

SOCIAL & POLITICAL FACTORS. A current trend among Italian travelers is to replace the traditional 2-week summer vacation with 2 shorter breaks. A major airport hub in Milan has opened new routes and brought more convenient access to many Italian travelers. Demand for travel to the U.S. was affected by the terrorist attacks on September 11th, although general perceptions about the U.S. are of a safe and convenient destination. Consequently, demand is expected to return quickly.

OLYMPIC INTEREST. The Italians maintain a high level of interest in winter sports, especially sledding sports and alpine skiing. With 12 medals in Salt Lake City, Italy has earned 89 Winter Olympic medals since 1924. Italy boasted an Olympic television audience of 37 million, although each viewer only watched about 2 hours of coverage. Additional interest in the Salt Lake City Games may have resulted from Torino's successful bid as the next host of the Olympic Winter Games. Interest in winter sports is high in Italy among a niche group of consumers. However, attracting a share of the winter recreation market is unlikely. The impact of the Olympics on future visitation will likely be tied to the ability to exploit the increased awareness into attention on the state's warm-weather recreational opportunities.

DISTRIBUTION INFRASTRUCTURE. Italian tour operators are unable to compete with their larger French and German competitors. Consequently, many have either consolidated or moved to become niche providers. Many travelers prefer to gather information from suppliers and then either customize an existing itinerary or plan their own. The largest tour operators in Italy in 2000 were Alpitours, Costa Crociere, and I Viaggi del Ventaglio. Many operators are extending their niche market appeal through the Internet, attracting larger numbers of potential travelers. The most important franchising travel networks are: GiraMondo Viaggi Franchising and Buon Viaggio SpA. In addition, several Internet-only agencies have entered the market in recent years including Edreams, Travelonline, and Lastminutetravel.

UTAH VISITORS FROM ITALY SUMMARY - 1997-1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	38.7
18-34 Years	45%
35-54 Years	48%
55+ Years	8%

HOUSEHOLD INCOME ($US)	
Average HH Income	$65,200
< $40,000	36%
$40,000 - $80,000	37%
$80,000 - $120,000	14%
$120,000+	12%

PARTY COMPOSITION	
Avg. Travel Party (mean)	2.5
Spouse	37%
Family/Relatives	36%
Friends	25%
Tour Group	11%
Traveling Alone	8%
Business Associates	3%
Adults Only	84%
Adults and Children	16%

GENDER	
Men	76%
Women	24%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	51%
U.S. Trips last 12 Months	1.3
U.S. Trips last 5 Years	2.8
1 Trip	56%
2 - 5 Trips	34%
5+ Trips	10%

OTHER DESTINATIONS VISITED	
# of States Visited	4.1
# of Destinations Visited	5.8
California	72%
San Francisco	56%
Los Angeles	50%
Yosemite N.P.	24%
Nevada	75%
Las Vegas	70%
Arizona	63%
Grand Canyon N.P.	49%
Phoenix	13%
New York	27%
New York City	27%
Wyoming	14%
Yellowstone N.P.	13%
Colorado	14%
Florida	11%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	89 Days
Advance Air Reservations	52 Days
Use of Pre-Booked Lodging	75%

USE OF PACKAGES	
YES	29%
Air/Lodging	20%
Air/Rental Car	16%
Guided Tour	13%
Air/Lodging/Rental Car	11%
Air/Lodging/Tour	9%
Air/Lodging/Bus	8%
Air/Lodging/Bus/Tour	8%
Advance Package Booking	57 Days
# of Nights Pre-paid as Part of a Package	15.2

INFORMATION SOURCES	
Travel Agency	81%
Friends/Relatives	23%
Travel Guides	20%
Newspapers/Magazines	14%
Personal Computer	14%
Airlines Directly	7%
Tour Company	4%
State/City Travel Office	4%
Other	7%

ACCOMMODATIONS	
Hotel/Motel	87%
Private Home	9%
Other	5%

TRANSPORTATION IN U.S.	
Rented Auto	83%
Airlines in U.S.	47%
Taxi/Cab/Limousine	35%
City Subway/Tram/Bus	23%
Company or Private Auto	12%
Bus Between Cities	8%
Other	4%

LENGTH OF STAY	
# of Nights In UT (mean)	2.3
# of Nights in US (mean)	17.9

UTAH DESTINATIONS VISITED	
Bryce Canyon N.P.	33%
Monument Valley	21%
Salt Lake City	20%
Zion N.P.	12%
Glen Canyon	3%

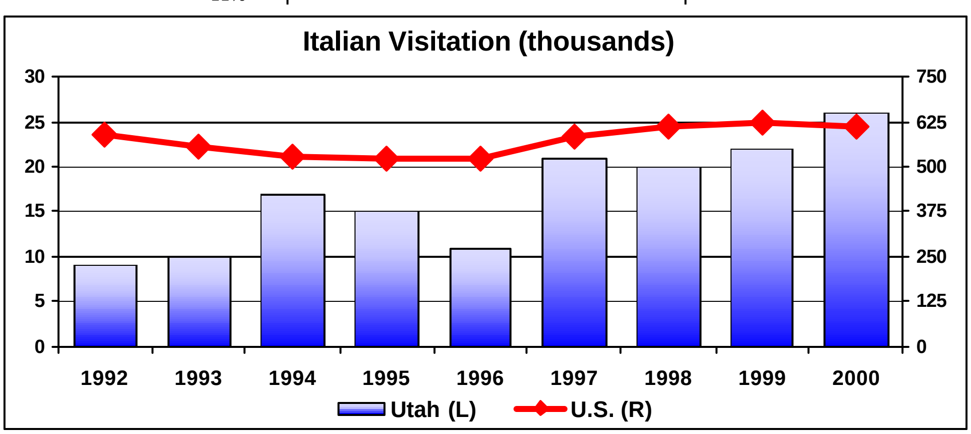
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	92%
Leisure/Rec./Holidays	92%
Visit Friends/Relatives	1%
Business & Convention	8%
Business/Professional	5%
Convention/Conference	2%
Study/Teaching	1%

PORT OF ENTRY	
New York	32%
Los Angeles	20%
San Francisco	8%
Newark	8%
Maimi	8%

LEISURE ACTIVITIES	
Visit National Parks	93%
Shopping	83%
Dining in Restaurants	81%
Sightseeing in Cities	76%
Amusement/Theme Parks	64%
Visit Historic Places	60%
Visit Small Towns	57%
Visit Am. Indian Comm.	54%
Casinos/Gambling	50%
Touring Countryside	33%
Cultural or Heritage Sites	30%
Art Gallery/Museum	29%
Water Sports/Sunbathing	22%
Concert/Play/Musical	20%
Guided Tours	20%
Environ./Eco Excursions	14%
Ethnic Heritage Sites	12%
Camping/Hiking	11%
Nightclubs/Dancing	7%
Golfing/Tennis	5%
Attend Sports Event	4%
Ranch Vacations	4%
Cruises	2%
Hunting/Fishing	--
Snow Skiing	--

PERFORMANCE	
Total Int'l. Visitation (000s)	22
Market Share	3.5%
Avg. Spending Per-Visitor-Per-Day (mean)	$93



SOURCE: OTTI, U.S. Department of Commerce

Scandinavia

ECONOMY. The economies of the Scandinavian countries have performed remarkably well in recent years. Denmark and Sweden both have mature economies that have sustained steady growth with minimal inflation and low unemployment for much of the past five years. Norway's economy is more dependent on natural resources (e.g. oil) and is more cyclical. However, due to an upswing in global oil prices, Norway has avoided much of the global downturn during the past year and boasts both low inflation and low unemployment. Finland, riding the telecommunications and technology gains of the past several years, has grown at a remarkable pace. With a high growth rate, inflation was higher in Finland than elsewhere in the region. Unemployment, while declining, is comparable to France and Germany rather than neighboring countries. Notably, Finland is the only Scandinavian country to be part of the Euro zone. The global downturn in the technology and telecommunications industries has hurt growth throughout the region during 2001 and 2002. However, as the technology and telecommunications industries recover, the region remains well positioned to resume growth. Regional growth is expected to outpace the Euro zone nations in both 2002 and 2003.

EXCHANGE RATE. Of the four countries, the Swedish Krona has declined the most versus the U.S. dollar over the past few years. It has also lagged behind the Euro and other European currencies in appreciating versus the U.S. dollar in 2002. The Danish Krone has closely mirrored the Euro in its movement, having recovered to its January 2001 level in July 2002. Norway's Kroner has remained stronger than any of the other Scandinavian currencies, with strong gains versus the U.S. dollar in 2002.

LANGUAGE RESOURCES. Most travelers from this region who engage in long haul travel are comfortable with English.

TECHNOLOGY APTITUDE. The Scandinavian countries lead the world in both adoption of the Internet and mobile telephone use and are among the world leaders in computers per household. A high concentration of technology businesses combined with high standards of living and low access costs have enabled technology to rapidly assimilate into everyday life throughout the region.

SEASONS & SEGMENTS. Most Scandinavian governments mandate 5-6 weeks of vacation time. Consequently, most travelers enjoy 2-3 weeks of vacation during the summer months and enjoy shorter breaks during the winter and around holidays. The most popular U.S. destinations for the entire region remain New York, Florida and California. However, more travelers are increasingly looking to diversify their U.S. experience with fly-drive vacations that include historic and cultural sites, national parks and other scenic destinations and adventure/sports activities. As vacation patterns evolve towards a more balanced summer and winter vacation, opportunities exist to develop long-haul ski destinations.

HISTORIC VISITATION. With a population of less than half of other European markets like France, Italy and the U.K., Scandinavia boasts a relatively large percentage of U.S. travelers. The region accounted for just over 700,000 visits in 2000, placing it between France and Italy in terms of U.S. arrivals. After declining much of the early 1990s, Scandinavian arrivals grew consistently through the latter half of the decade. Sweden is by far the largest market and is also the fastest growing, accounting for roughly 45% of total U.S. travel. Denmark and Norway each account for approximately 21% of total arrivals and Finland the remaining 17%. Despite the overall growth in the Scandinavian markets, the U.S. has lost share as a long-haul destination, notably to Southeast Asia over the past five years.

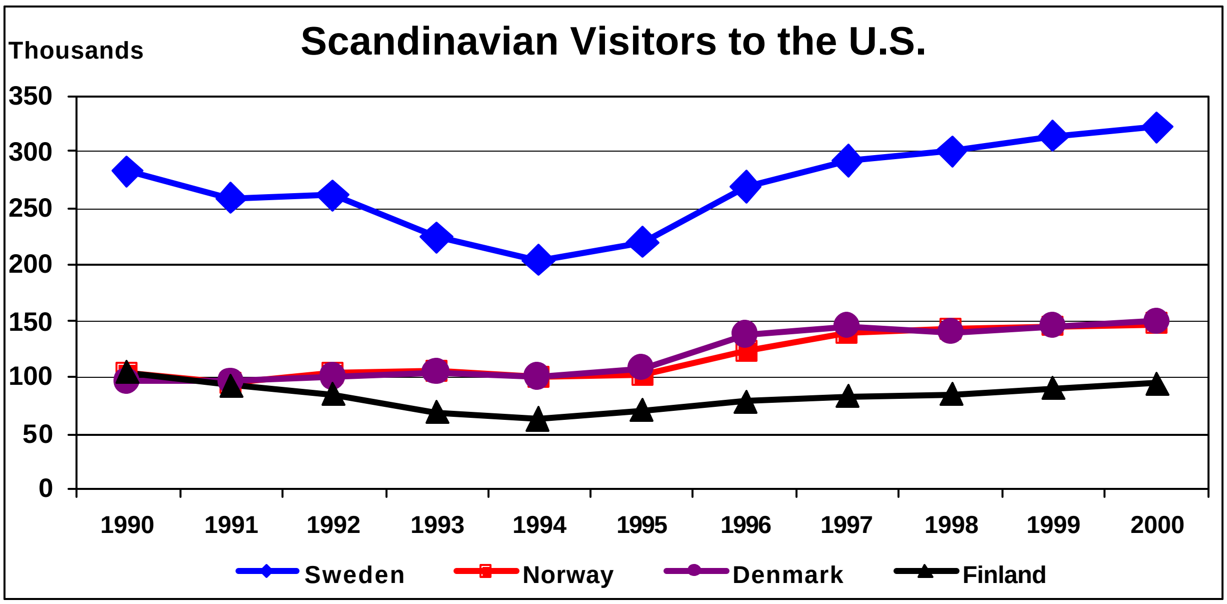
SOCIAL & POLITICAL FACTORS. Because of the small size of the market, increasing the base number of U.S. travelers may be difficult. Consequently, repeat visitors are especially important in the Scandinavian markets. Increasingly, U.S. visitors will pursue destinations in the Midwest, Southwest and Northwest to explore beyond the traditional destinations on the east and west coast.

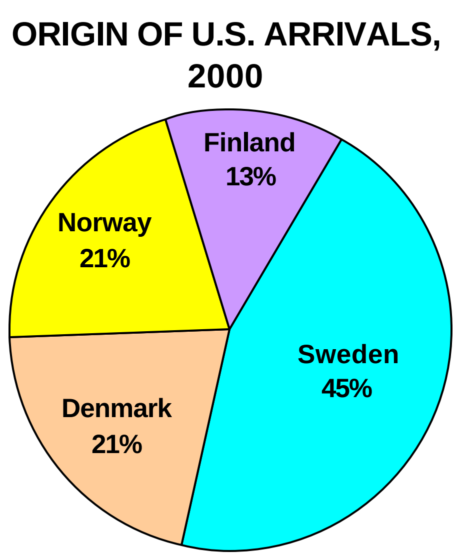
OLYMPIC INTEREST. The origins of the Winter Olympic Games is in the Nordic Games of Scandinavia. All of the countries in the region maintain a high level of interest in winter sports and have historically performed exceptionally well at the Winter Olympics. The region's performance in Salt Lake City was no different, with Norway, Sweden and Finland accounting for 37 medals. Since 1924, athletes from those same countries have received over 500 medals. Of the region's four countries, only Denmark has failed to medal in an Olympic sport. Not surprisingly, Scandinavian countries led the world in Olympic television viewing. Between 80% and 90% of the population of Norway, Finland and Sweden watched the Olympic Games, accounting for nearly 16 million viewers. Each Norwegian viewer watched nearly 29 hours of Olympic coverage, followed by Finnish and Swedish viewers, who watched 22 hours and almost 17 hours, respectively.

DISTRIBUTION INFRASTRUCTURE. Airports in Sweden and Denmark function as the gateways to nearly all long-haul destinations. Air service directly to the U.S. is limited in Finland and Norway. However, travelers from the region are accustomed to using the regional airports as intermediate stops. More significant is the lack of U.S. destinations served by those flights, which is currently limited to major cities along the east and west coast and Chicago. The Internet is increasingly important as a travel planning tool, although travel agencies and tour operators still provide itineraries and at least air transportation arrangements for most visitors. Most tour operators and travel agencies are relatively small, with affiliations to larger umbrella organizations.

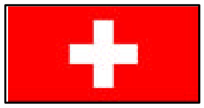
U.S. ARRIVALS FROM SCANDINAVIA

Year	Sweden	Denmark	Norway	Finland	Total
1990	282,163	96,796	103,960	103,411	**586,330**
1991	260,424	95,399	93,691	93,151	**542,665**
1992	261,728	100,353	103,863	83,716	**549,660**
1993	224,281	103,665	106,437	69,116	**503,499**
1994	204,293	101,062	101,094	62,754	**469,203**
1995	219,283	108,003	103,096	70,291	**500,673**
1996	268,975	137,307	124,078	78,841	**609,201**
1997	292,424	144,605	140,446	82,190	**659,665**
1998	300,925	138,689	142,583	85,247	**667,444**
1999	314,258	146,479	145,601	90,622	**696,960**
2000	321,881	149,211	147,540	93,649	**712,281**





SOURCE: OTTI, U.S. Department of Commerce



Switzerland

ECONOMY. After enduring nearly seven years of a mild economic recession in the early 1990s, the Swiss economy is now one of Europe's healthiest. Swiss consumers rank among the world's most affluent. Economic growth has been stable for many years, with income gains outpacing inflation. Unemployment remains among the lowest in Europe. Although the Swiss economy has slowed considerably in 2001 and 2002, it should return to its stable growth in 2003. The country was impacted significantly by disruptions in the global financial markets and by insurance industry woes following September 11th. Although not part of the Euro zone, the country is surrounded by member nations and is greatly influenced by activity among and between member states.

EXCHANGE RATE. A recent referendum permitted the use of the Euro in addition to the Swiss Franc in many parts of the country. While the Swiss Franc remains the country's official currency, the widespread use of the Euro will play an increasing role in the country's currency exchange. Notably, however, the Swiss Franc has outperformed the Euro. This makes international travel for the Swiss in the rest of Europe and the U.S. more attractive and a better relative value. As the Euro approaches parity with the U.S. dollar, the Swiss franc should also appreciate, thus further stimulating demand for international travel.

LANGUAGE RESOURCES. Because Switzerland operates as a hub of international activity for both governments (U.N.) and business (banking), most Swiss are familiar and comfortable with English. In addition, because nearly four languages are spoken regularly in the country, consumers are flexible and adapt easily to different languages.

TECHNOLOGY APTITUDE. Switzerland is among Europe's leaders for adoption of the Internet, trailing just the Scandinavian markets. Switzerland also boasts a very large percentage of its population with a home computer. Swiss consumers quickly adopt new technologies and are proficient in their use.

SEASONS & SEGMENTS. Most Swiss are independent travelers, preferring to set their own itineraries, although they may reference a travel agent for information and airfare packages. Most travel takes place during the summer months to destinations along the East coast and California. Shopping remains the top attraction for most Swiss travelers. However, because Switzerland is a mature market, most travelers are repeat visitors. Destinations off the beaten path that offer access to American culture, including music, food, and adventure may become more popular in coming years. Swiss travelers generally expect high service levels and will usually pay a premium to ensure they receive it.

HISTORIC VISITATION. Visitation to the U.S. from Switzerland increased steadily through the early 1990s and has since leveled off at approximately 400,000 per year. However, like other markets, the lure of North Africa and Southeast Asia has captured some of the long-haul market. The strength of the Swiss Franc versus the Euro compared to the declines versus the U.S. dollar has hurt demand in the last few years. Because of the relative affluence of Swiss travelers, exchange rate volatility is less of a factor in this market than elsewhere in Europe.

SOCIAL & POLITICAL FACTORS. Demand for travel to the U.S. was affected by the terrorist attacks on September 11th, although general perceptions about the U.S. are of a safe and convenient destination. Consequently, demand is expected to return quickly. Because of the small size of the Swiss market, large growth in the number of U.S. arrivals should not be expected. Rather, market share gains can be achieved by attracting a larger share of repeat visitors.

OLYMPIC INTEREST. Switzerland has historically performed well at the Winter Olympics, having captured over 100 medals since 1924. In Salt Lake, Swiss athletes medalled 11 times, capturing the attention of the public. Of particular interest were the sledding sports and curling. Besides these events, a world media darling emerged in the performance of Harry Potter look-alike Simon Ammann, who unexpectedly captured gold medals in both individual men's ski jumping events. On average over 6 million Swiss television viewers watched over 10 hours of Olympic coverage.

DISTRIBUTION INFRASTRUCTURE. Air transportation is readily available from Switzerland to the U.S. via several U.S. carriers and Swiss Air. In addition, many European airlines offer U.S. connections through hubs in London, Amsterdam, Frankfurt and Paris. Delta's affiliation with Swiss Air has prompted periodic investigation of Salt Lake City as a possible route expansion. However, with airline cutbacks following September 11th and the restructuring of a bankrupt Swiss Air, expansion into long-haul routes seems unlikely.

Spain

ECONOMY. The integration of the Spanish economy with the other economies of Europe has stimulated rapid growth in the country. GDP has outpaced most of the rest of the Euro area as Spain has been playing "catch up" with its more developed neighbors. The quick pace of economic growth has fueled higher inflation than elsewhere in Europe, which has placed pressure on incomes. Although improving, Spain continues to report one of the highest unemployment rates in Europe. As further reforms are integrated into the economy, Spain should continue to converge towards other well-developed European economies. Such convergence should engender future growth in output and incomes while simultaneously reducing unemployment and stabilizing inflation. Of some concern is the effect enlargement of the European Union into Eastern Europe would have on the subsidies currently directed towards Spain. With enlargement, much of the money currently targeted at Spain would be redirected towards the poorer and less developed economies of Eastern Europe.

EXCHANGE RATE. Transition to the Euro has been relatively uneventful. However, because of the interconnected relationship between the large European economies and their inability to sustain growth in the wake of a US slowdown, the Euro has struggled against the U.S. dollar. Nonetheless, the Euro has recently risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. Many of the long haul travelers from Spain are fluent in English as a result of business activities. However, for those not comfortable with English, information and promotional materials to most destinations are available in Spanish.

TECHNOLOGY APTITUDE. The adaptation of Spanish consumers to the Internet, mobile phones and other technology devices lags other parts of Europe. Cost has been the primary barrier as relative incomes remain below the European average while access costs are still high.

SEASONS & SEGMENTS. Most Spanish travelers to the U.S. are from the upper classes and are repeat visitors to the U.S. Summer is the most common time to visit the U.S. as Spaniards commonly take advantage of a two-week summer break. The coasts have been the most popular destinations although recent evidence suggests Nevada, Arizona and Colorado are growing in popularity. Spanish travelers are more spontaneous than other European travelers. Most begin planning or making arrangements for overseas travel less than a month in advance.

HISTORIC VISITATION. Spanish arrivals to the U.S have grown steadily throughout the past decade. However, total long-haul visitors have grown even faster, with most of the increase going to destinations in the Caribbean and Latin America, North Africa, and Southeast Asia. The United States remains the preferred long haul destination, although competition from other destinations is intensifying. Approximately 300,000 visitors arrive to the U.S. from Spain each year.

SOCIAL & POLITICAL FACTORS. Over the past several years, Basque separatists have perpetrated several incidents involving terrorist activity. As a result, Spanish consumers, much like British consumers, recovered relatively quickly from the events of September 11th, at least from a psychological perspective. The ability of the political and business infrastructure to continue to integrate economic reforms and thereby increase incomes and discretionary opportunities will likely be key to growing the Spanish market.

OLYMPIC INTEREST. During the 2002 Winter Olympic Games, an athlete from Spain received the country's first ever Winter Olympic medal. While significant, the fact that the athlete was a German expatriate dampened the enthusiasm. Nevertheless, Spain has a long history of involvement in the Olympic movement and much attention was directed at the Olympics during the tenure of Juan Antonio Samaranch as head of the IOC from 1980 until 2001. Olympic television coverage in Spain was less than elsewhere in Europe, with only 18 million viewers watching on average a single hour of coverage.

DISTRIBUTION INFRASTRUCTURE. Four major U.S. carriers and three Spanish carriers operate direct nonstop flights to seven U.S. cities from either Madrid or Barcelona. However, none of the direct flights are west of the Mississippi. Approximately 25 of Spain's 200 tour operators prominently highlight the U.S. as a major destination in their promotional catalogs and brochures. The top nine travel agents and retailers account for nearly 50% of the distribution outlets.

Belgium

ECONOMY. The Belgian economy has performed well throughout the past decade. Annual GDP growth rates have outperformed most of the other Euro zone nations, although it has lagged the performance of the Netherlands. Strong wage growth has spurred inflation recently, although wage gains have outpaced price increases allowing consumers to enjoy more disposable income. Unemployment has trended down during the past five years and after a small hiccup during the current economic slowdown, that trend should continue. Strong business linkages with the U.S should bolster economic activity in the coming year. Belgian consumers are among Europe's wealthiest travelers.

EXCHANGE RATE. After a strong performance in the early 1990s, the Belgian franc lost much of its gains through the decline in the Euro. Despite the volatility of the Euro, Belgian consumers have demonstrated more resilience to currency fluctuations than elsewhere in Europe. Nonetheless, exchange rate fluctuations do have an impact on consumer decisions, especially in evaluating competing destinations. Recently, the Euro has risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. Belgium boasts a well-traveled population that is accustomed to international trips. Because of widespread business linkages with the U.S., English is widely spoken, especially among the middle and upper classes. Language should not be considered a barrier to growth in this market.

TECHNOLOGY APTITUDE. Belgium generally follows the consumption patterns of nearby Germany with regard to technology. Despite high incomes, Belgian consumers have not surged ahead in Internet use, home computers or mobile phones. Nonetheless, with an advanced infrastructure and relative wealth, Belgium is considered a quick growth market for technological adaptation.

SEASONS & SEGMENTS. Like other European markets, Belgian travelers enjoy four to five weeks of vacation and typically apportion the time between an extended summer break and a shorter winter holiday. Traditionally, trips to the U.S. have come during the summer months to sun and beach locations. Increasingly, national parks, amusement parks, and cultural and historic destinations are attracting more travelers. There is also a growth potential for U.S. winter destinations as awareness increases, access improves and costs remain competitive. Most Belgian travelers to the U.S. plan their trip with information from a travel agent and customize their trip based on personal preferences. Only one in five trips is a packaged deal. Most prefer to book flight arrangements and then drive to various destinations within the U.S.

HISTORIC VISITATION. The U.S. is the third most popular international vacation choice among Belgian travelers and the most popular long haul destination. The number of arrivals to the U.S. has increased each year over the past decade with the exception of 1998. Total arrivals for 2000 topped 250,000. Despite the strong growth, increasing competition from North Africa and Southeast Asia has captured some of the U.S. market share.

SOCIAL & POLITICAL FACTORS. Although demand declined in the wake of the terrorist attacks of September 11th, Belgian consumers generally regard the U.S. as a safe and convenient destination. Historically, Belgian travelers have proven resilient to economic fluctuations and demand for U.S. travel is anticipated to return quickly. Generally, Belgium is associated with the Netherlands and Luxembourg and referred to as the Benelux countries.

OLYMPIC INTEREST. Although winter sports remain popular in Belgium, no Belgian athlete has ever won an Olympic medal. Television coverage of the Olympics in Belgium was limited, reaching only 6 million people for less than 10 minutes each.

DISTRIBUTION INFRASTRUCTURE. Brussels serves as a European hub for many airlines and six U.S. based and European carriers provide service to the U.S. Travel agents represent an important resource for many traveling abroad although fewer book their trips with agents themselves.

Austria

ECONOMY. The Austrian economy is closely linked with the German economy. Growth was moderate through much of the 1990s although it has slowed recently. Private consumption gains have outpaced inflation for much of the past five years, resulting in increased discretionary income. However, the current economic slowdown combines stagnant wages with still present inflation. Coupled with a weak Euro, purchasing power for most Austrian consumers has declined. On a brighter note, unemployment remains low and continues to decline.

EXCHANGE RATE. Transition to the Euro has been relatively uneventful. However, because of the interconnected relationship between the large European economies and their inability to sustain growth in the wake of a US slowdown, the Euro has struggled against the U.S. dollar. Nonetheless, the Euro has recently risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. Language barriers in the Austrian market are similar to the German market, although Austria does not have as experienced a group of international travelers. As a result, the familiarity and comfort level with English is not as strong and Austria is more reliant on travel agents and packaged deals.

TECHNOLOGY APTITUDE. Austria is nearly on par with the U.K. in terms of its adoption of technology. Internet use, the adoption of mobile phones and the placement of computers in many households suggests increasing integration. Access costs remain higher than in other European markets, which may hinder future growth among Austrian consumers.

SEASONS & SEGMENTS. Like many other European markets, the top destinations for Austrian travelers to the U.S are along the east and west coast. The most popular U.S. destinations are New York, Florida (Orlando, Miami), California (San Francisco, Los Angeles, San Diego), National Parks, Nevada and Hawaii. Travel industry representatives have identified potential for adventure trips to Alaska, Washington, Oregon, Colorado, Texas and Louisiana. However, New York, Florida, California and Las Vegas will remain strong attractions for the Austrian traveler. Repeat travelers typically choose destinations like New England, the Carolinas, Tennessee, Georgia and the Great Lakes. Summer travel is the most popular during extended trips of two weeks or more.

HISTORIC VISITATION. Austria is one of the smaller European markets for the U.S. The U.S. is the top long haul destination for Austrian travelers. However, visitation peaked in 1996 and since then, other destinations in North Africa and Southeast Asia have consistently gained market share versus the U.S. Current visitation levels to the U.S. are approximately 175,000 per year.

SOCIAL & POLITICAL FACTORS. Unknown

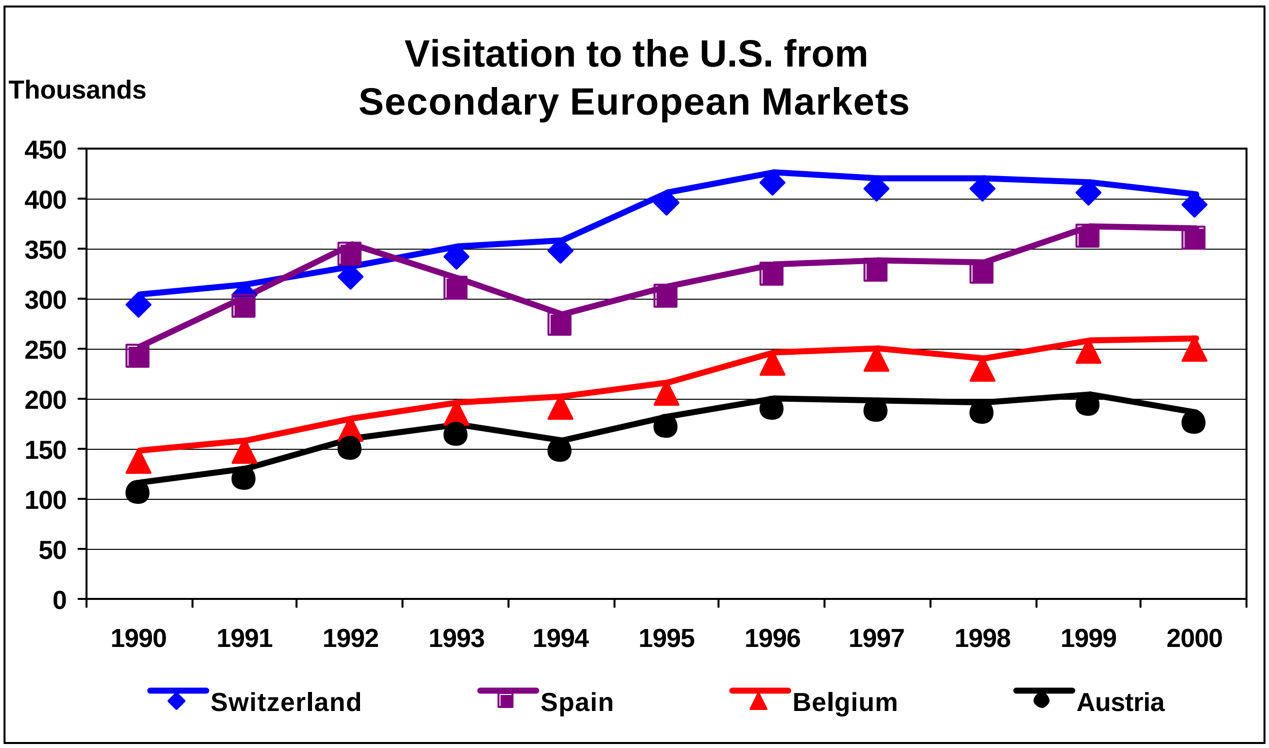
OLYMPIC INTEREST. Austria is a Winter Olympic powerhouse, capturing 161 medals since 1924 including 16 in the 2002 Games in Salt Lake City. Skiing is the national sport and athletes who perform well enjoy public adoration. Television estimates indicate over 6 million Austrians watched an average of more than 10 hours of Olympic coverage. Despite the large audience, attracting a segment of the winter sports segment is unlikely given the well-developed and popular local resorts. Future gains are more likely tied to associating Utah with adventure opportunities during the summer months.

DISTRIBUTION INFRASTRUCTURE. Intense competition between European and U.S. carriers consistently offers attractive prices for trans-Atlantic travel. Although demand has declined in the wake of September 11th, competition among carriers remains and in some ways has intensified. With just over 8 million people, Austria is one of Europe's smallest markets.

HISTORY OF U.S. ARRIVALS
SECONDARY EUROPEAN MARKETS

Year	Switzerland	Spain	Belgium	Austria
1990	294	243	138	107
1991	305	292	149	121
1992	322	344	171	151
1993	342	310	186	164
1994	349	275	192	148
1995	397	302	206	173
1996	417	325	237	190
1997	410	328	241	188
1998	411	326	230	186
1999	406	363	249	194
2000	395	361	250	176

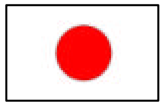
SOURCE: TI/ITA U.S. Dept. of Comerce



SOURCE: OTTI, U.S. Department of Commerce

ASIA

JAPAN
AUSTRALIA
SOUTH KOREA
TAIWAN



Japan

ECONOMY. Following a brief upturn in economic performance, the Japanese economy finished 2001 in its third recession in the past decade. Deflation, while resulting in decreasing prices, has decreased incomes while simultaneously increasing debt burdens, thereby reducing purchasing power. Unemployment is approaching 5%, and while low by world standards, remains very high for Japan. Most analysts expect continued weakness throughout 2002 with some improvement as export demand (primarily to the U.S.) accelerates in 2003.

EXCHANGE RATE. Like the Euro, Japan's exchange rate has declined significantly versus the dollar in recent years. Nonetheless, slight appreciation in the exchange rate in recent months has reduced the valuation gap. While not as high as during the Asian financial crisis in 1998, the Yen remains at approximately ¥117 per dollar. It should be noted, however, that despite the negative influence of the exchange rate, because of high prices in Japan, the U.S. is still perceived as a bargain for some items.

LANGUAGE RESOURCES. Japanese travelers rely on tour guides and tend to travel in groups because of the unfamiliarity of the English language among many travelers. However, the market has adjusted well to the language barriers of Japanese travelers, with several local receptive tour operators offering language translation and promotional materials in Japanese.

TECHNOLOGY APTITUDE. Internet penetration is relatively low in Japan despite low access costs. However, the number of mobile telephone users and the growing popularity of wireless connections to the Internet via mobile phones and other similar devices make computer ownership and access via fiber optic cables less important. Technology remains an important element to Japanese consumers as many electronic industry leaders maintain a strong presence in the Japanese market.

SEASONS & SEGMENTS. Leisure travel, including honeymoons and visiting friends and relatives, accounts for a high percentage of all outbound Japanese travel. Observational tourism – visiting natural and scenic, historic and cultural attractions, and visiting art galleries and museums – is also growing. Historically, city breaks and shopping have been the activity of choice for Japanese travelers to the U.S. Summer travel and travel around certain holidays dominates the Japanese market, although aging demographics and growing interest in sports is shifting preferences away from peak seasons.

HISTORIC VISITATION. Japan fell to the second largest overseas market to the U.S., during 2001, representing just over 4 million travelers. Over the past decade, growth in arrivals has been strong with the exception of a two-year period following the Asian financial crisis. Demand for U.S. travel faces significant challenges from competing destinations in Europe, Canada, Southeast Asia, and Australia. During the 1990s, Japan was Utah's fastest growing international market. Arrivals from Japan declined significantly in 2001 as post-September 11th concerns and continued economic woes dampened consumer demand.

SOCIAL & POLITICAL FACTORS. Japanese consumers are very sensitive to safety perceptions and the extensive media coverage of the September 11th attacks and their aftermath has provided a significant deterrent to demand growth. Arrivals from Japan during the last quarter of 2001 fell more than 50% and demand recovery is not expected to return quickly. However, once the safety perception is overcome, other factors should help stimulate demand. Most significant is the change in the school week from 6 days to 5 days, which should prompt additional short-break vacations.

OLYMPIC INTEREST. Olympic coverage in Japan was extensive. Over 100 million Japanese consumers each witnessed the Games for an average of 17 hours. The 2002 Games attracted additional attention from public officials and World Cup organizers, who watched the Games as a test of a high profile world sporting event.

DISTRIBUTION INFRASTRUCTURE. Because of common travel patterns and language barriers, relationships with trade professionals are essential to conducting travel business in Japan. The trade infrastructure is vertically integrated in Japan, with a few large suppliers dominating much of the market. JTB and Kintetsu International are the largest trade companies in Japan. Salt Lake City offers no direct nonstop flights to the Japanese market. However, 3 direct nonstop flights are available between Tokyo and Las Vegas.

UTAH VISITORS FROM JAPAN SUMMARY - 1997-1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	42.7
18-34 Years	32%
35-54 Years	48%
55+ Years	20%

HOUSEHOLD INCOME ($US)	
Average HH Income	$89,600
< $40,000	19%
$40,000 - $80,000	32%
$80,000 - $120,000	25%
$120,000+	25%

PARTY COMPOSITION	
Avg. Travel Party (mean)	1.7
Traveling Alone	32%
Spouse	23%
Family/Relatives	17%
Friends	16%
Business Associates	13%
Group Tour	12%
Adults Only	96%
Adults and Children	4%

GENDER	
Men	68%
Women	32%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	79%
U.S. Trips last 12 Months	2.0
U.S. Trips last 5 Years	5.7
1 Trip	35%
2 - 5 Trips	34%
5+ Trips	31%

OTHER DESTINATIONS VISITED	
# of States Visited	3.4
# of Destinations Visited	4.5
California	65%
Los Angeles	38%
San Francisco	21%
Yosemite N.P.	7%
Nevada	58%
Las Vegas	44%
Arizona	38%
Grand Canyon N.P.	26%
Wyoming	17%
Yellowstone	15%
New York	11%
New York City	10%
Colorado	6%
Washington	6%
Seattle	6%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	59 Days
Advance Air Reservations	26 Days
Use of Pre-Booked Lodging	78%

USE OF PACKAGES	
YES	28%
Guided Tour	25%
Air/Lodging	21%
Air/Lodging/Tour	18%
Air/Lodging/Bus	11%
Air/Lodging/Bus/Tour	11%
Air/Rental Car	3%
Air/Lodging/Rental Car	1%
Advance Package Booking	61 Days
# of Nights Pre-paid as Part of a Package	8.8

INFORMATION SOURCES	
Travel Agency	61%
Travel Guides	18%
Friends/Relatives	17%
Tour Company	17%
Personal Computer	15%
Newspapers/Magazines	11%
Corp. Travel Department	11%
Airlines Directly	11%
Other	5%

ACCOMMODATIONS	
Hotel/Motel	83%
Private Home	13%
Other	6%

TRANSPORTATION IN U.S.	
Airlines in U.S.	66%
Taxi/Cab/Limousine	45%
Rented Auto	42%
Company or Private Auto	37%
City Subway/Tram/Bus	23%

LENGTH OF STAY	
# of Nights In UT (mean)	4.6
# of Nights in US (mean)	12.7

UTAH DESTINATIONS VISITED	
Salt Lake City	55%
Bryce Canyon N.P.	22%
Monument Valley	17%
Zion N.P.	12%
Glen Canyon	10%

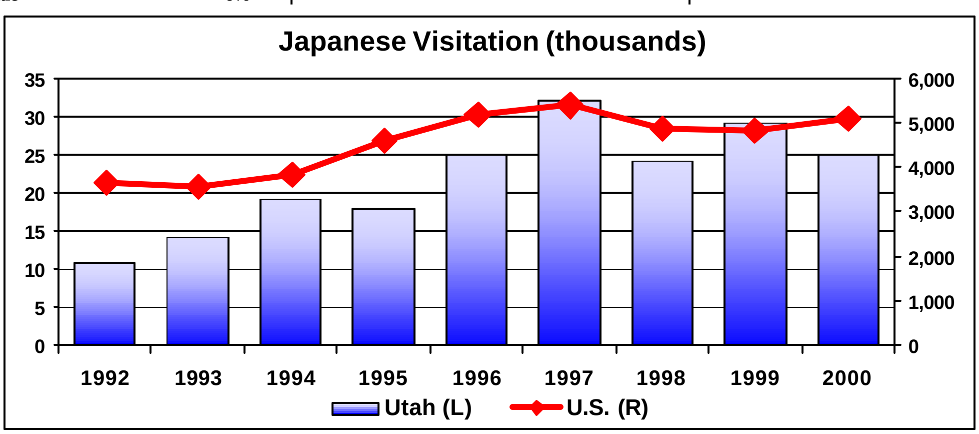
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	65%
Leisure/Rec./Holidays	52%
Visit Friends/Relatives	13%
Business & Convention	35%
Business/Professional	27%
Convention/Conference	3%
Study/Teaching	3%

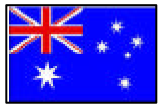
PORT OF ENTRY	
Los Angeles	28%
San Francisco	28%
Portland	21%
Seattle	5%

LEISURE ACTIVITIES	
Shopping	84%
Dining in Restaurants	78%
Visit National Parks	56%
Sightseeing in Cities	54%
Visit Small Towns	42%
Touring Countryside	37%
Visit Am. Indian Comm.	36%
Guided Tours	31%
Casinos/Gambling	29%
Amusement/Theme Parks	27%
Visit Historic Places	26%
Camping/Hiking	19%
Cultural or Heritage Sites	18%
Art Gallery/Museum	13%
Ethnic Heritage Sites	11%
Concert/Play/Musical	11%
Water Sports/Sunbathing	10%
Nightclubs/Dancing	10%
Cruises	8%
Golfing/Tennis	8%
Snow Skiing	5%
Attend Sports Event	4%
Environ./Eco Excursions	3%
Ranch Vacations	2%
Hunting/Fishing	2%

PERFORMANCE	
Total Int'l. Visitation (000s)	29
Market Share	0.6%
Avg. Spending Per-Visitor-Per-Day (mean)	$141



SOURCE: OTTI, U.S. Department of Commerce



Australia

ECONOMY. The Australian economy has outperformed every other advanced economy in the last ten years, growing significantly. Even when Europe, the U.S. and Japan seemed unable to avoid a recession, Australia continued to grow briskly. Growth was spurred by a rapid increase in housing prices that bolstered consumer spending, a low dependence on IT businesses, and a relatively weak currency that made manufacturing and commodity industries more profitable. Such rapid growth has placed some inflationary pressures on the economy, but thus far, the central bank has been able to compensate by lowering interest rates. Unemployment has declined significantly and now seems to have stabilized at around 6.5%. Australia is projected to be the fastest growing developed economy in the world through the end of 2003.

EXCHANGE RATE. The Australian dollar has declined steadily since 1996. While this has helped the country's debt ratio and export businesses, travel demand to the U.S. has suffered. Curiously, although the country's economic performance has been strong, its currency remains relatively low. Recent appreciation for the Yen and the Euro has failed to translate into appreciation for the Australian dollar.

LANGUAGE RESOURCES. Since English is the primary language, no special language resources are necessary in this market.

TECHNOLOGY APTITUDE. Australia boasts one of the highest Internet penetration rates in the world as well as a high incidence of household computer use. Access costs are nearly on par with those in the United States.

SEASONS & SEGMENTS. Most travel to the U.S. from Australia is to major cities in the West and New York. Los Angeles, San Francisco, New York City and Las Vegas are significant attractions. Australian visitors are also interested in American culture, thus historic and cultural/heritage attractions are also growing in popularity. National Parks and other touring opportunities are also popular. Notably, Australia also has a strong ski market that travels to the U.S., mostly to Colorado resorts. Australian trips to the U.S. are significantly longer than trips from other markets, averaging nearly three weeks in length. There is relatively little use of packaged options because most travel is independent.

HISTORIC VISITATION. Australia generates over 500,000 annual trips to the U.S. each year. Growth has been slow and somewhat erratic over much of the past decade. Despite the negative impacts of the exchange rate, the U.S. continues to be a desirable destination for many Australian travelers. In recent years, the U.S. has captured market share from European destinations. Europe remains the preferred long haul destination for Australian travelers, attracting over five times as many international travelers as the U.S.

SOCIAL & POLITICAL FACTORS. As with other markets, demand for travel to the U.S. diminished following September 11th. Nonetheless, because most travel from Australia to the U.S. is to western destinations, demand from Australia has returned more quickly than demand from most European markets.

OLYMPIC INTEREST. The primary Olympic interest in Salt Lake City was the immediacy of the Games following the 2000 Sydney Summer Olympics. In addition, the first Australian athlete to ever medal in an Olympic Winter sport occurred at the 2002 Games. Over 12 million Australians watched some coverage of the Olympics for an average of nearly 7 hours.

DISTRIBUTION INFRASTRUCTURE. Several carriers provide air transportation to and from Australia. Intense competition has kept pricing reasonable.

South Korea

ECONOMY. South Korea was the largest of the Asian tigers in the early 1990s, growing at an incredible pace. It was also one of the hardest hit during the Asian financial crisis in 1998. However, recovery has been swift and South Korea is again growing quickly. The softening of the technology industry worldwide and especially in the U.S. dampened growth during 2001 although the country still enjoyed modest growth. Unemployment has fallen steadily after peaking in 1998. The economy has benefited from a large amount of foreign investment, especially in manufacturing. After peaking in 1998, unemployment has fallen steadily and prices have remained contained.

EXCHANGE RATE. Like other major currencies around the world, the Won has declined versus the U.S. dollar in recent years (nearly 15% since January 2000). The currency peaked in the mid-1990s before the financial crash forced devaluation. Despite the currency fluctuations, travel demand has been little affected by the small changes in the day-to-day exchange rate.

LANGUAGE RESOURCES. Language is a barrier to U.S. travel. English is not widely spoken and since group travel is also not common, most travel is limited to cities with access to language services.

TECHNOLOGY APTITUDE. Korea boasts the lowest Internet access costs of any developed economy. However, most consumers still lack the resources to purchase a home computer to access the Internet. Mobile phone use is high, however, and Internet access will likely be through this medium as opposed to desktop computers. Korea's economy is highly dependent on the technology sector and that dependence also generates consumer use.

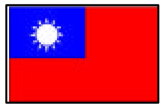
SEASONS & SEGMENTS. Most travel from Korea is to the cities in the West and New York. There is a strong business travel segment and a strong friends and family segment from the country. Los Angeles, New York, Las Vegas, San Francisco, San Jose and Seattle all attract large numbers of Korea visitors. Compared to the Japanese market, Korean travelers to the U.S. stay longer, spend slightly less and rely much less on packaged travel. More travel from Korea to the U.S. is focused on the mainland compared to Japan, where as much as 60% of demand is to Hawaii and Guam. Urban destinations are the most popular form of vacation in the U.S. Other types of attractions that are growing in popularity include theme parks, touring, national parks, and history and heritage/cultural sites.

HISTORIC VISITATION. Korea was among the fastest growing markets to the U.S. throughout the 1990s. Indeed, growth skyrocketed from 211,000 in 1990 to nearly 750,000 in 1997. Demand evaporated in 1998 in the wake of the Asian financial crisis but has since returned strongly. Prior to September 11^{th}, Korea was one of the few markets poised to increase the number of arrivals to the U.S. By year's end, Korean visitation to the U.S. fell just 5% to 625,000, outperforming every major market except Mexico. The U.S. dominates the Korean long haul market and is gaining market share versus other destinations in Canada and Europe.

SOCIAL & POLITICAL FACTORS. The terrorist attacks on September 11^{th} significantly affected travel demand from Korea, although less than other Asian markets. In addition, because most Korean travel to the U.S. is based on the west coast, confidence in the U.S. was relatively less affected than confidence from other markets. There is some uncertainty as to whether the increasing tension between the U.S. and North Korea will translate into consumer behaviors.

OLYMPIC INTEREST. Korea has maintained a high interest in the Olympic movement, having hosted a Summer Games in Seoul in 1988. The addition of short track speed skating has renewed interest in the Winter Olympics. Several Korean athletes performed well in Salt Lake City in these events. Some controversy erupted during a short track competition regarding the disqualification of a Korean athlete. While not as significant as the figure skating controversy, it nonetheless attracted media attention. Media outlets in Korea were also interested in the operational aspects of the Games and the intricacies of hosting a high profile world sporting event as a result of their selection to host the 2002 World Cup with Japan. Consequently, nearly 33 million Korean viewers tuned in to watch an average of 5 hours of Olympic coverage.

DISTRIBUTION INFRASTRUCTURE. Regular air service is available from many cities in the U.S. to Seoul. Korea is trying to become a major Asian hub by building a large airport in Inchon.



Taiwan

ECONOMY. After growing strongly during the technology boom, Taiwan's economy has entered a severe recession in 2001. Highly dependent on tech exports, the collapse of the technology bubble that characterized growth during the latter half of the 1990s has significantly impacted growth during the last two years. To the extent that the tech sector improves will greatly determine growth prospects for the future. Despite the current recession, the Taiwan economy has improved considerably over the past several years, with strong wage growth outpacing very low inflation. However, unemployment has trended upward over the past few years and combined with deflationary risks, has dampened consumer confidence and spending.

EXCHANGE RATE. The New Taiwan dollar has fluctuated widely during the last several years. Like other Asian currencies, it depreciated versus the U.S. dollar during the Asian financial crisis. Then in the years following the crisis, the IT boom stimulated high growth rates and the currency gained versus the dollar. Now that the IT boom has collapsed, the currency has again fallen versus the U.S. dollar. The result of such wide currency fluctuations over time is relatively little impact on overseas travel demand.

LANGUAGE RESOURCES. English is widely spoken within much of the business community and among other select groups. However, most of the population is not fluent in English. As a result, most travel has been concentrated to urban destinations and group travel.

TECHNOLOGY APTITUDE. Taiwan specializes in technology sector manufacturing. As a result, technology is embraced as part of the culture and is seen as integral to improving their quality of like. However, a significant portion of the population is still unable to afford Internet connections, mobile telephones, and household computers. As economic prosperity continues, expect technology to become more mainstream among the general population.

SEASONS & SEGMENTS. The two largest segments of Taiwan travel to the U.S. are business travel and trips to friends and family. Most trips are concentrated in large western cities (Los Angeles, San Francisco, San Jose, Las Vegas) and New York City. Most overseas trips are repeat visitors to the U.S. Taiwanese vacationers are characterized by relatively high spending and long stays, making it a valuable market. Nearly a fourth of Taiwan visitors travel via a packaged deal and a large majority utilize a travel agent for information and air service arrangements. Secondary activities that are growing in popularity include historic sites, national parks, casinos, and specialty tours.

HISTORIC VISITATION. The U.S. has enjoyed an increase in visitors from Taiwan in nine of the last ten years. The U.S. dominates long haul travel, accounting for over 50% of the market. However, despite the visitation increases, the U.S. has steadily lost market share to destinations in Europe. Nonetheless, the outlook for Taiwan travel to the U.S. is very positive.

SOCIAL & POLITICAL FACTORS. Taiwan continues to struggle with its relationship towards China. The government will work towards reducing any negative impacts of joining the WTO and further liberalization of the economy. More positively, Taiwan consumers have a fascination with American culture. American movies, music, and fashion are extremely popular, especially among the young. Travel to the U.S. is greatly anticipated and eagerly pursued. The U.S. is generally perceived as a safe and convenient destination, although Taiwanese travelers are sensitive to safety issues. The terrorist attacks in September combined with the recession significantly deterred travel to the U.S. in 2001. As confidence in overseas travel returns and the Taiwan economy improves, demand will likely return quickly.

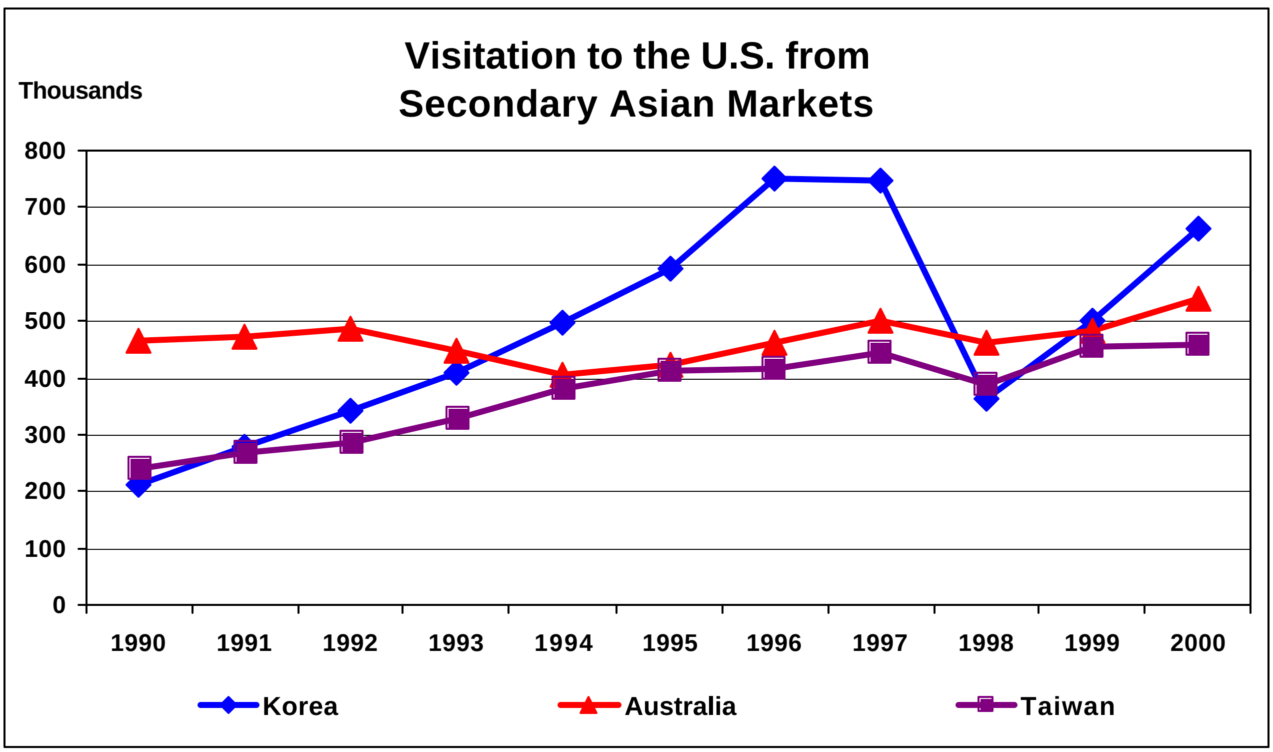
OLYMPIC INTEREST. Taiwan does not have a history of interest in Winter Olympic sports nor do winter sports appeal to the general public. Taiwan does have a niche ski market, but it is small relative to total population.

DISTRIBUTION INFRASTRUCTURE. Taipai serves as a major Asian hub, particularly appealing to technology-based businesses along the west coast of the U.S. Such linkages make travel to and from Taiwan relatively inexpensive and most major carriers offer direct flights with convenient connections. In addition to business linkages, a growing Asian population in major west coast cities also attracts a sizeable leisure market.

HISTORY OF U.S. ARRIVALS
SECONDARY ASIAN MARKETS

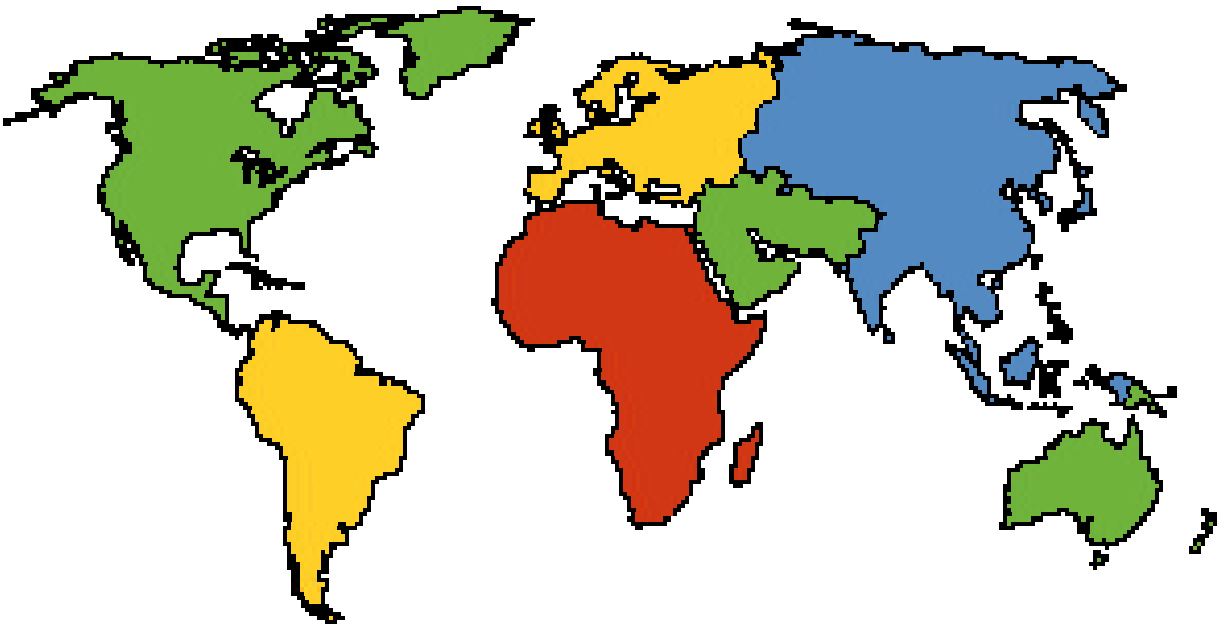
Year	Korea	Taiwan	Australia
1990	211	239	466
1991	278	268	471
1992	341	287	487
1993	408	327	449
1994	498	379	407
1995	592	413	424
1996	749	415	463
1997	747	443	501
1998	364	386	461
1999	499	453	483
2000	662	457	540

SOURCE: TI/ITA U.S. Dept. of Comerce



SOURCE: OTTI, U.S. Department of Commerce

APPENDIX A



INTERNATIONAL MARKET OVERVIEW

TARGET MARKETS	SECONDARY MARKETS	OLYMPIC FOLLOW-UP MARKETS	MONITORING MARKETS
Canada United Kingdom Germany Japan	France Netherlands/Belgium Italy	Scandinavia South Korea Spain Mexico	Australia China/Taiwan Eastern Europe South America

INTERNATIONAL MARKET OVERVIEW

COUNTRY	MARKET STRENGTHS	MARKET WEAKNESSES
TIER ONE –TARGET MARKETS		
Canada	- Top international market - Renewed interest in U.S. destinations - Strong Olympic interest - Year-round market - Direct flights into SLC and Las Vegas - Favorable economic conditions - No language barriers	- Exchange rate
United Kingdom	- Strong economy - Year-round market - Largest overseas market to the U.S. - Strongest overseas recovery market - No language barriers - Direct flights to Las Vegas	- Competition for market share is intense - Most visitors travel to East Coast
Germany (including Austria & Switzerland)	- Historically strong market for Utah - Strong interest in outdoor recreation and nature-based travel - Primarily FIT travelers - Strong Olympic interest - Large potential market - Direct flights to Las Vegas through Frankfurt	- Sluggish economy - Low consumer and business confidence - Terrorist incidents may prompt shift to European destinations
Japan	- Predisposed to travel to western states - Large population base - High value traveler - U.S. perceived as a value destination - Direct flights to Las Vegas	- 3 economic recessions in past decade - High sensitivity to safety perceptions - Language can be a barrier
TIER TWO – SECONDARY MARKETS		
France	- Strengthening market to secondary U.S. destinations - Strong FIT travel - Growing interest in outdoor recreation and nature-based tourism - Strong Olympic Interest	- Market requires committed resources and time to yield returns - Aging demographics are not frequent travelers (2nd home-buyers) - Language can be a barrier
Benelux (Netherlands & Belgium)	- Stable economy - Multi-lingual travelers - High comfort level with technology - Primarily warm weather travel, but potential for year round visitors - Strong growth throughout 1990s - Strong Olympic interest	- Relatively smaller market - Terrorist incidents may prompt shift to European destinations
Italy	- FIT travel with high interest in American Southwest - Strong interest in outdoor recreation	- Some economic instability - Moving away from extended vacations to shorter breaks - Terrorist incidents may prompt shift to short haul destinations in Europe and North Africa

COUNTRY	MARKET STRENGTHS	MARKET WEAKNESSES
TIER THREE – OLYMPIC FOLLOW-UP MARKETS		
Scandinavia (mostly Sweden & Denmark)	- Frequent international travelers - High comfort with technology - Very strong Olympic interest - Primarily summer travelers - High incomes and 5-6 weeks of paid vacation time	- Little U.S. visitation beyond East and West Coasts - Relatively small markets - Diverging interests among nations - No previous experience in markets - Less frequent air service to the U.S., mostly through Stockholm and Copenhagen
South Korea	- Fast growing market - Predisposed to west coast destinations - High Olympic interest - High value traveler	- Language can be a barrier - Sensitive to economic fluctuations - Travel is generally to major cities with strong VFR segment
Spain	- Large market with growth potential as long-haul travel becomes affordable - FIT travelers with interest in American Southwest - Potential for year-round market - Strong Olympic interest	- Incomes and employment levels below European average - No direct non-stop air service west of Mississippi - No previous experience in the market
Mexico	- Huge potential market - Direct air service to SLC and Las Vegas - Growing Hispanic population among Utah residents	- Relatively poor population - U.S. visitation concentrated on border states - Little interest in outdoor recreation and nature-based activities
TIER FOUR – MONITORING MARKETS		
Australia	- Strong economic growth - Year round market - High comfort with technology - FIT travel common with preference towards West coast destinations - No language barriers	- Exchange rate - European destinations are preferred for long haul travel
China (including Taiwan)	- Huge potential market - High value traveler among consumers who can afford it - Fascination with American history and culture - Direct service to Las Vegas via Hong Kong	- Relatively poor population - Bureaucratic system makes international travel difficult - Primary destinations are urban centers - Sensitive to safety concerns
Eastern Europe (mostly Czech Republic, Poland & Russia)	- Growing economies - Large markets - High Olympic interest - Strong adaptation rate of technology - Demonstrated interest in Utah	- Population relatively poor compared to other European markets - Language can be a barrier - Some political and economic instability remains - No previous experience in markets - Distribution access limited
South America (mostly Brazil and Argentina)	- Large markets - Strong niche markets for outdoor recreation - Growing incidence of travel to the U.S.	- Economic difficulties - Educational and economic inequalities among population base - Limited experience in market - Current U.S. travel focused on East and West coast

APPENDIX B

OVERSEAS TRAVELERS TO UTAH IN-DEPTH PROFILE ANALYSIS

Overseas Visitors to Utah
Overseas Visitors to Utah National Parks
Overseas Visitors to Salt Lake City
Overseas Visitors to Las Vegas

OVERSEAS TRAVELERS TO UTAH
In-Depth Visitor Profile

A profile of overseas visitors to Utah was conducted on behalf of the Utah Travel Council by CIC Research, Inc. using In-Flight Survey Data from ITA Tourism Industries (a division of the U.S. Dept. of Commerce). The profile reflects information gathered from January through December 1997-1999. *The analysis does not include visitors from either Canada or Mexico.* The data revealed two major types of overseas travelers to Utah who were very different in terms of demographic characteristics, travel patterns and purposes and activities.

The groups are identified as visitors to Utah's National Parks (40%) and visitors to Salt Lake City, or the business and ski visitor (32%). Each visitor group has a very different visitor profile. The state's complete profile is more accurately the combination of these two different groups. Each of the three overseas visitor groups (overall, national park and Salt Lake City) is presented in some detail below. A special analysis is also included on the Las Vegas visitor because of the increasing relevance of that growing market to Utah.

Utah's top overseas markets are located in Western Europe and Japan. Germany (23%), France (16%), the United Kingdom (11%), the Benelux countries (10%), Japan (8%) and Italy (6%) represent Utah's top markets. Given existing trends and forecasted growth in international tourism from many regions of the world, Utah anticipates eventual growth in arrivals from several emerging markets, including countries in South America (Brazil and Argentina), Scandinavia, Asia (Korea and Taiwan), Mexico and Australia.

Demographics

- The average age of the overseas visitor to Utah is 42, with nearly 50% of all visitors in the 35-54 age grouping.
- The large majority travel with a spouse (37%) or with other family members (34%). Fewer travel alone (21%) or with friends (15%). However, *90% of all overseas visitors are adults, in contrast to the family-dominated domestic travel market.*
- Over two-thirds of all overseas visitors are men (68%), although since one in five overseas visitors is on a business-related trip, the higher percentage of male visitors is not unexpected.
- Over 22% of all overseas visitors boast annual household incomes of greater than $100,000. The average household income is $72,800.

Travel Patterns

- *Roughly two-thirds of overseas visitors to Utah (68%) are repeat visitors to the U.S.*
- The majority of overseas travelers to Utah enter the country through Los Angeles (26%), San Francisco (15%) and New York (10%). Other common ports of entry include Chicago (8%), Detroit (4%), Cincinnati (4%), Washington D.C. (4%) and Atlanta (3%).
- Once in the U.S., most overseas travelers prefer to travel in rental vehicles (58%). Many also take advantage of domestic air transportation (40%).
- The average stay within the U.S. is 23.5 nights, while the Utah portion of the trip averages 5.7 nights.[1]

[1] While the average stay in the U.S. is 23.5 nights, there is a significant difference between Western European visitors and Japanese visitors. The Japanese visitor spends 12.7 nights in the U.S. as opposed to the 18-25 nights spent in the U.S. by European travelers. In relative terms, the Japanese visitor dedicates a greater portion of his/her trip to Utah.

- On average, the overseas visitor will visit 3.8 states and 5.3 specific destinations while on their trip to the U.S. Besides Utah, other common destinations include California (San Francisco, Los Angeles, Yosemite and San Diego), Nevada (Las Vegas), Arizona (Grand Canyon, Phoenix), Colorado and Wyoming (Yellowstone).
- Within the state, Salt Lake City is visited by nearly a third of all overseas visitors (32%). Other commonly visited destinations include Bryce Canyon National Park (25%), Zion National Park (13%), Monument Valley Navajo Tribal Park (12%) and Glen Canyon National Recreation Area (5%).
- Over three-fourths (76%) of overseas travelers stay in hotels or motels with the remainder split between private homes and camping.
- The average overseas visitor spends $81 per day.
- On average, the trip decision is made approximately four months in advance (120 days), with air reservations and other arrangements made closer to the departure dates.
- The most common sources of information include travel agencies (65%), travel guides (25%), friends and relatives (24%), state or city travel offices (15%), personal computers (12%) and airlines (11%).
- Only 30% of overseas travelers indicated they had purchased a vacation package, with the most frequent type of package including air and lodging. Other common packages include guided tours or air and car rentals.

Travel Purposes and Activities

- The majority of overseas travelers to Utah arrive for leisure purposes (81%), including 10% who arrive to visit friends and relatives. The remaining 19% is comprised of business trips, convention activity and studying or teaching trips.
- The most common activity for overseas visitors to Utah is shopping (86%) and dining (81%). National Parks (78%), sightseeing in cities (58%), historic places (55%), touring the countryside (54%) and visiting small towns (51%) are also popular activities among Utah's overseas travelers.
- *Compared to national averages, the overseas visitor to Utah is more than twice as likely to visit Native American communities, camp or hike, visit national parks, gamble, snow ski, participate in environmental or eco excursions, tour the countryside and visit ethnic, cultural or heritage sites.*
- Utah overseas visitors are less likely than the average U.S. overseas visitor to play golf or tennis, go on cruises, participate in water sports or sunbathe, shop or dine in restaurants.

OVERSEAS VISITORS TO UTAH SUMMARY - 1997-1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	42.2
18-34 Years	34%
35-54 Years	48%
55+ Years	18%

HOUSEHOLD INCOME ($US)	
Average HH Income	$72,800
< $40,000	27%
$40,000 - $80,000	39%
$80,000 - $120,000	19%
$120,000+	15%

PARTY COMPOSITION	
Avg. Travel Party (mean)	1.9
Spouse	37%
Family/Relatives	34%
Traveling Alone	21%
Friends	15%
Business Associates	6%
Group Tour	5%
Adults Only	90%
Adults and Children	10%

GENDER	
Men	68%
Women	32%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	68%
U.S. Trips last 12 Months	1.6
U.S. Trips last 5 Years	4.0
1 Trip	41%
2 - 5 Trips	41%
5+ Trips	18%

ORIGIN MARKETS (1999 only)	
Germany	23%
France	16%
U.K.	11%
Benelux	10%
Japan	8%
Italy	6%
Switzerland	5%
Oceania	4%
Scandinavia	3%
South America	3%

PORT OF ENTRY	
Los Angeles	26%
San Francisco	15%
New York	10%
Chicago	8%
Detroit	4%
Cinncinnati	4%

TRAVEL PATTERNS

ADVANCE TRIP PLANNING	
Advance Trip Decision	120 Days
Advance Air Reservations	77 Days
Use of Pre-Booked Lodging	66%

USE OF PACKAGES	
YES	30%
Air/Lodging	18%
Guided Tour	15%
Air/Rental Car	12%
Air/Lodging/Tour	9%
Air/Lodging/Rental Car	8%
Air/Lodging/Bus	7%
Air/Lodging/Bus/Tour	6%
Advance Package Booking	93 Days
# of Nights Pre-paid as Part of a Package	12.8

INFORMATION SOURCES	
Travel Agency	65%
Travel Guides	25%
Friends/Relatives	24%
State/City Travel Office	15%
Personal Computer	12%
Airlines Directly	11%
Tour Company	9%
Newspapers/Magazines	9%
Other	10%

EXPENDITURES	
Avg. Spending Per-Visitor-Per-Day (mean)	$81

ACCOMMODATIONS	
Hotel/Motel	76%
Private Home	13%
Other	14%

TRANSPORTATION IN U.S.	
Rented Auto	58%
Airlines in U.S.	40%
Taxi/Cab/Limousine	27%
Company or Private Auto	23%
City Subway/Tram/Bus	17%

LENGTH OF STAY	
# of Nights In Utah (mean)	5.7
# of Nights in US (mean)	23.5

UTAH DESTINATIONS VISITED	
Salt Lake City	32%
Bryce Canyon N.P.	25%
Zion N.P.	13%
Monument Valley	12%
Glen Canyon	5%

PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	81%
Leisure/Rec./Holidays	70%
Visit Friends/Relatives	10%
Other	1%
Business & Convention	19%
Business/Professional	13%
Convention/Conference	5%
Study/Teaching	2%

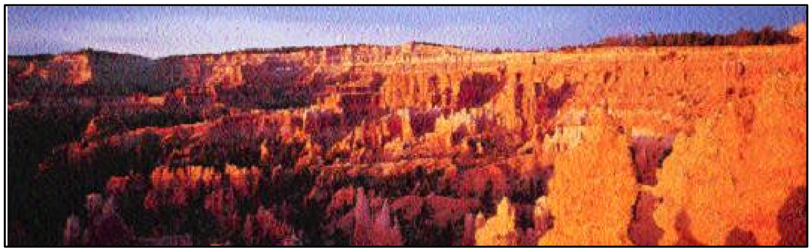
OTHER DESTINATIONS VISITED	
# of States Visited	3.8
# of Destinations Visited	5.3
California	70%
San Francisco	42%
Los Angeles	40%
Yosemite N.P.	13%
San Diego	11%
Nevada	58%
Las Vegas	53%
Arizona	55%
Grand Canyon N.P.	32%
Phoenix	10%
Colorado	12%
Wyoming	12%
Yellowstone N.P.	9%

LEISURE ACTIVITIES	
Shopping	86%
Dining in Restaurants	81%
Visit National Parks	78%
Sightseeing in Cities	58%
Visit Historic Places	55%
Touring Countryside	54%
Visit Small Towns	51%
Amusement/Theme Parks	46%
Casinos/Gambling	45%
Cultural or Heritage Sites	38%
Visit Am. Indian Comm.	32%
Guided Tours	26%
Art Gallery/Museum	24%
Water Sports/Sunbathing	22%
Camping/Hiking	21%
Concert/Play/Musical	13%
Environ./Eco Excursions	11%
Nightclubs/Dancing	9%
Attend Sports Event	7%
Snow Skiing	6%
Golfing/Tennis	5%
Cruises	4%
Ranch Vacations	2%
Hunting/Fishing	2%

VISITATION VOLUME (1999 only)	
Total Int'l. Visitation (000s)	700

*SOURCE: U.S. Department of Commerce, ITA/Tourism Industries

INTERNATIONAL VISITORS TO NATIONAL PARKS



Over 40% of all visitors to Utah were identified as National Park visitors as a result of identifying a national park as a primary destination during a trip to the U.S. Overall, 78% of all Utah's overseas visitors indicated that visiting a national park (whether a primary destination or not) was one of several activities participated in during a U.S. trip. National Park visitors to Utah have specific traveler characteristics that make this traveling segment unique and different from other travel segments.

Demographics. The average national park visitor to Utah is less affluent than other visitors to the state. As a result, average daily spending is also less than the statewide average for all overseas visitors. *Leisure groups (spouse, family members, friends and group tours) are much more common among national park visitors than among all visitors to the state.* European markets, led by Germany, France and the U.K, dominate the national park traveler segment. Italy, the Benelux countries and Switzerland are also important markets within this travel segment. The only non-European country that represents a significant market for national park travelers is Japan.

Travel Patterns. The national park visitor is typically a less experienced U.S. traveler. Consequently, advance trip decisions are often made well in advance (133 days) and packages are more common than among all overseas travelers to the state. National park travelers typically spend less time in Utah as well as in the U.S. compared to other groups, although they are often more mobile than other travelers, demonstrating a tendency to visit more states and more destinations than all travelers to the state. Car rentals are the preferred choice of transportation within the U.S. While the majority stay in either a hotel or motel, a significant number also camp. Among favored destinations, the national park traveler is more likely to make trips to California (San Francisco, Los Angeles, Yosemite, San Diego and Death Valley), Arizona (Grand Canyon and Phoenix) and Nevada (Las Vegas). Among Utah destinations, Bryce Canyon National Park was the preferred destination, followed by Zion National Park, Monument Valley Navajo Tribal Park and Glen Canyon National Recreation Area. *Salt Lake City was only mentioned as a destination by 4% of national park visitors.*

Purposes and Activities. Travel to national parks is almost exclusively a leisure travel activity. Over 90% of national park travelers to Utah indicated their primary purpose was a leisure trip. As expected, national park travelers tend to participate in a wide variety of outdoor activities. Compared to all travelers to the state, national park travelers are more likely to visit national parks, gamble, visit cultural or heritage sites, camp or hike and participate in an eco or environmental excursion. Conversely, national park visitors are less likely to attend a concert, play or musical, visit a nightclub or sporting event, and play golf, tennis or ski.

OVERSEAS VISITORS TO UTAH SUMMARY - 1997-1999*

Overseas Travelers who visit National Parks (40% of all Overseas Travelers to Utah)

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	42.1
18-34 Years	36%
35-54 Years	46%
55+ Years	19%

HOUSEHOLD INCOME ($US)	
Average HH Income	$66,500
< $40,000	30%
$40,000 - $80,000	41%
$80,000 - $120,000	18%
$120,000+	11%

PARTY COMPOSITION	
Avg. Travel Party (mean)	2.2
Spouse	44%
Family/Relatives	36%
Friends	19%
Traveling Alone	12%
Group Tour	7%
Business Associates	2%
Adults Only	88%
Adults and Children	12%

GENDER	
Men	66%
Women	35%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	61%
U.S. Trips last 12 Months	1.3
U.S. Trips last 5 Years	2.7
1 Trip	48%
2 - 5 Trips	41%
5+ Trips	11%

ORIGIN MARKETS (1999 only)	
Germany	26%
France	21%
U.K.	12%
Italy	8%
Benelux	8%
Japan	8%
Switzerland	6%
Oceania	2%

PORT OF ENTRY	
Los Angeles	29%
San Francisco	17%
Chicago	8%
Detroit	7%
New York	6%

VISITATION VOLUME (1999 only)	
Total Int'l. Visitation (000s)	283

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	133 Days
Advance Air Reservations	91 Days
Use of Pre-Booked Lodging	68%

USE OF PACKAGES	
YES	40%
Air/Lodging	28%
Guided Tour	20%
Air/Rental Car	18%
Air/Lodging/Tour	14%
Air/Lodging/Rental Car	13%
Air/Lodging/Bus	10%
Air/Lodging/Bus/Tour	9%
Advance Package Booking	90 Days
# of Nights Pre-paid as Part of a Package	13.3

INFORMATION SOURCES	
Travel Agency	65%
Travel Guides	31%
Friends/Relatives	26%
State/City Travel Office	20%
Personal Computer	13%
Newspapers/Magazines	12%
Tour Company	11%
Airlines Directly	7%
Other	8%

EXPENDITURES	
Avg. Spending Per-Visitor-Per-Day (mean)	$73

ACCOMMODATIONS	
Hotel/Motel	80%
Private Home	1%
Other	21%

TRANSPORTATION IN U.S.	
Rented Auto	65%
Airlines in U.S.	30%
Taxi/Cab/Limousine	22%
City Subway/Tram/Bus	19%
Company or Private Auto	15%

LENGTH OF STAY	
# of Nights In Utah (mean)	3.7
# of Nights in US (mean)	20.6

UTAH DESTINATIONS VISITED	
Bryce Canyon N.P.	63%
Zion N.P.	32%
Monument Valley	30%
Glen Canyon	12%
Salt Lake City	4%

PURPOSE/ACTIVITIES

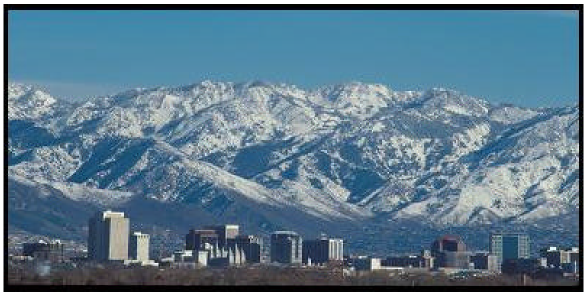
PURPOSE OF TRIP	
Leisure & VFR	93%
Leisure/Rec./Holidays	88%
Visit Friends/Relatives	5%
Business & Convention	7%
Business/Professional	3%
Convention/Conference	4%
Study/Teaching	1%

OTHER DESTINATIONS VISITED	
# of States Visited	3.9
# of Destinations Visited	6.3
California	83%
San Francisco	56%
Los Angeles	51%
Yosemite N.P.	28%
San Diego	14%
Death Valley N.P.	10%
Arizona	81%
Grand Canyon N.P.	65%
Phoenix	14%
Nevada	74%
Las Vegas	74%
Wyoming	10%
Yellowstone N.P.	9%
Colorado	9%
New York	7%
New York City	7%

LEISURE ACTIVITIES	
Visit National Parks	92%
Shopping	85%
Dining in Restaurants	79%
Sightseeing in Cities	59%
Visit Historic Places	58%
Touring Countryside	58%
Visit Small Towns	54%
Casinos/Gambling	53%
Amusement/Theme Parks	49%
Cultural or Heritage Sites	45%
Visit Am. Indian Comm.	38%
Guided Tours	30%
Camping/Hiking	27%
Art Gallery/Museum	24%
Water Sports/Sunbathing	22%
Environ./Eco Excursions	15%
Ethnic Heritage Sites	13%
Concert/Play/Musical	8%
Nightclubs/Dancing	6%
Attend Sports Event	4%
Cruises	4%
Ranch Vacations	3%
Golfing/Tennis	2%
Hunting/Fishing	1%
Snow Skiing	1%

*SOURCE: U.S. Department of Commerce, ITA/Tourism Industries

INTERNATIONAL VISITORS TO SALT LAKE CITY
- BUSINESS AND SKI TRIPS -



Nearly a third of all overseas visitors to Utah visited Salt Lake City, making it the most popular Utah destination specifically named in the survey. There are several important differences between overseas visitors to Salt Lake City and overseas visitors to the rest of the state.

Nearly 40% of all visits to Salt Lake City by overseas travelers are made as a result of a business trip. In addition, overseas visitors to Salt Lake City are more than twice as likely to ski than visitors to the rest of the state. The implications of a larger percentage of business travelers and the greater incidence of skier visits significantly influence the characteristics of visitors to the city.

Demographics. Visitors to Salt Lake City are typically more affluent and spend significantly more than their counterparts to the rest of the state. Men, many of whom are traveling alone, comprise a higher percentage of trips to Salt Lake City than to the rest of the state. The business link between Salt Lake City and Japan is especially important and Japanese travelers comprise the second largest group of travelers to Salt Lake City, nearly equal to the number of German travelers. The popularity of Utah skiing among visitors from the U.K, Australia, South America and Scandinavia means that visitors from these regions are more common to Salt Lake City than to the rest of the state. Conversely, Germans, French, Italians and Dutch travelers are less likely to visit Salt Lake City and more likely to visit the rest of the state.

Travel Patterns. Visitors to Salt Lake City typically stay longer in Utah but shorter in the U.S. compared to other overseas visitors to the state. They visit fewer states and destinations than other Utah visitors, and even indicate very little travel to other Utah destinations. Los Angeles and San Francisco remain the primary ports of entry, although Miami and Atlanta each become more important given use of both as a gateway from Latin American countries and the Delta connection between Salt Lake City and Atlanta. Salt Lake City visitors indicate a much shorter planning horizon and are more likely to be frequent travelers to the U.S. than other Utah visitors. Package deals are used even less frequently by travelers to Salt Lake City than to the rest of the state.

Purposes and Activities. As previously indicated, Salt Lake City attracts a significantly greater amount of business-related travel. Within the leisure component however, overseas visitors to Salt Lake City are much more likely to visit friends and relatives than other visitors to the state. Salt Lake City visitors are less likely to participate in many of the common leisure activities indicated by other travelers to the state. Nonetheless, as with all overseas visitors to the state, shopping, dining, national parks, cities, historic places and touring the countryside were still the top activities engaged in by Salt Lake visitors. However, in contrast to other Utah visitors, travelers to Salt Lake City were more likely to visit Yellowstone and the Grand Canyon than to visit the Utah national parks. Salt Lake visitors are more likely to attend a concert, play or musical, visit nightclubs, ski or play golf and tennis.

OVERSEAS VISITORS TO UTAH SUMMARY - 1997-1999*

Overseas Travelers who Visit Salt Lake City (32% of all Overseas Travelers to Utah)

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	42.0
18-34 Years	34%
35-54 Years	50%
55+ Years	16%

HOUSEHOLD INCOME ($US)	
Average HH Income	$80,400
< $40,000	25%
$40,000 - $80,000	35%
$80,000 - $120,000	21%
$120,000+	19%

PARTY COMPOSITION	
Avg. Travel Party (mean)	1.6
Traveling Alone	36%
Spouse	24%
Family/Relatives	23%
Business Associates	12%
Friends	11%
Group Tour	4%
Adults Only	95%
Adults and Children	6%

GENDER	
Men	74%
Women	26%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	66%
U.S. Trips last 12 Months	2.1
U.S. Trips last 5 Years	5.7
1 Trip	28%
2 - 5 Trips	40%
5+ Trips	32%

ORIGIN MARKETS (1999 only)	
Germany	15%
Japan	14%
U.K.	12%
Oceania	7%
Benelux	6%
France	6%
South America	6%
Scandinavia	6%
Switzerland	5%
Italy	4%

PORT OF ENTRY	
Los Angeles	21%
San Francisco	12%
New York	11%
Chicago	8%
Cinncinnati	7%
Atlanta and Miami (each)	6%

TRAVEL PATTERNS

ADVANCE TRIP PLANNING	
Advance Trip Decision	95 Days
Advance Air Reservations	57 Days
Use of Pre-Booked Lodging	65%

USE OF PACKAGES	
YES	18%
Guided Tour	10%
Air/Lodging	8%
Air/Rental Car	6%
Air/Lodging/Tour	5%
Air/Lodging/Bus	3%
Air/Lodging/Bus/Tour	3%
Air/Lodging/Rental Car	2%
Advance Package Booking	79 Days
# of Nights Pre-paid as Part of a Package	11.7

INFORMATION SOURCES	
Travel Agency	66%
Friends/Relatives	20%
Travel Guides	15%
Airlines Directly	13%
Personal Computer	11%
State/City Travel Office	10%
Tour Company	9%
Corporate Travel Dept.	8%
Newspaper/Magazine	6%
Other	4%

EXPENDITURES	
Avg. Spending Per-Visitor-Per-Day (mean)	$107

ACCOMMODATIONS	
Hotel/Motel	71%
Private Home	27%
Other	8%

TRANSPORTATION IN U.S.	
Rented Auto	49%
Airlines in U.S.	49%
Taxi/Cab/Limousine	37%
Company or Private Auto	34%
City Subway/Tram/Bus	15%

LENGTH OF STAY	
# of Nights In Utah (mean)	7.5
# of Nights in US (mean)	22.4

UTAH DESTINATIONS VISITED	
Bryce Canyon N.P.	3%
Monument Valley	2%
Zion N.P.	1%
Glen Canyon	0%

PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	62%
Leisure/Rec./Holidays	44%
Visit Friends/Relatives	17%
Other	1%
Business & Convention	38%
Business/Professional	28%
Convention/Conference	8%
Study/Teaching	3%

OTHER DESTINATIONS VISITED	
# of States Visited	3.3
# of Destinations Visited	4.1
California	48%
Los Angeles	26%
San Francisco	24%
Nevada	31%
Las Vegas	29%
Wyoming	18%
Yellowstone N.P.	13%
Arizona	16%
New York	14%
New York City	13%
Colorado	11%
Denver	9%
Florida	10%

LEISURE ACTIVITIES	
Shopping	86%
Dining in Restaurants	83%
Visit National Parks	55%
Sightseeing in Cities	50%
Visit Historic Places	48%
Touring Countryside	42%
Visit Small Towns	38%
Amusement/Theme Parks	34%
Cultural or Heritage Sites	29%
Casinos/Gambling	28%
Concert/Play/Musical	28%
Art Gallery/Museum	21%
Guided Tours	17%
Visit Am. Indian Comm.	17%
Water Sports/Sunbathing	16%
Snow Skiing	13%
Nightclubs/Dancing	12%
Camping/Hiking	9%
Attend Sports Event	9%
Golfing/Tennis	8%
Environ./Eco Excursions	5%
Cruises	4%
Hunting/Fishing	3%
Ranch Vacations	2%

VISITATION VOLUME (1999 only)	
Total Int'l. Visitation (000s)	700

*SOURCE: U.S. Department of Commerce, ITA/Tourism Industries

INTERNATIONAL VISITORS TO LAS VEGAS

Las Vegas recorded over two million overseas visitors in 1999, nearly six times as many as Utah. McCarran International Airport in Las Vegas accommodated more than 3,500 direct international flights in 2000, most of them from Utah's top international markets – Canada, Japan and the U.K. In addition, growth in international arrivals to Las Vegas is growing much more quickly than growth in international arrivals to Utah. Despite many differences between overseas visitors to Utah and overseas visitors to Las Vegas, Utah may be able to capitalize on Las Vegas as an international gateway to the state and could potentially increase awareness of Utah attractions by emphasizing Utah's proximity to Las Vegas. From 1997 to 1999, *more than half (53%) of Utah's overseas travelers also visited Las Vegas. But only 10% of all the overseas visitors to Las Vegas came to Utah.* Tapping that large and fast-growing market represents a growth opportunity for Utah's international tourism.

Despite being younger on average, overseas visitors to Las Vegas are more affluent and spend more than overseas visitors to Utah. In addition, Las Vegas captures a much greater percentage of the Asian market. In addition to Japan, Taiwan and South Korea are also among Las Vegas' top markets. Visitors from South America and Mexico also represent a higher percentage of visitors to Las Vegas than to Utah. By contrast, Utah is much more dependent than Las Vegas on Western Europe.

Overseas trips to Las Vegas are typically planned with a much shorter planning horizon than trips to Utah. In addition, travelers to Las Vegas are more likely to take advantage of a packaged deal. Consistent with the greater influence of Asian travel patterns versus Western European travel patterns, trips to Las Vegas are typically shorter and visit fewer states and destinations than trips to Utah. Visitors to Las Vegas are less likely to visit Arizona, Colorado and Wyoming, but more likely to visit Los Angeles, Anaheim and Florida. Overseas travelers to Las Vegas are more likely than their Utah counterparts to stay in a hotel or motel and travel by taxi or limo as opposed to rental cars. Airline service within the U.S. to Las Vegas is also more important than corresponding service to Utah.

The overseas visitor to Utah is more likely to participate in a wide variety of activities. Visitors to Utah are more likely than their Las Vegas counterparts to visit natural resource-based attractions, historic, ethnic or cultural sites, small towns or Native American communities. Overseas visitors to Utah are also more likely to participate in outdoor recreation activities like camping and hiking or snow skiing. On the other hand, Las Vegas travelers are more likely to gamble, visit theme or amusement parks, participate in guided tours and visit nightclubs.

OVERSEAS VISITORS TO LAS VEGAS SUMMARY - 1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	40.3
18-34 Years	39%
35-54 Years	45%
55+ Years	15%

HOUSEHOLD INCOME ($US)	
Average HH Income	$73,600
< $40,000	28%
$40,000 - $80,000	37%
$80,000 - $120,000	19%
$120,000+	15%

PARTY COMPOSITION	
Avg. Travel Party (mean)	2.0
Spouse	36%
Family/Relatives	29%
Traveling Alone	19%
Friends	18%
Business Associates	10%
Group Tour	6%
Adults Only	92%
Adults and Children	8%

GENDER	
Men	67%
Women	33%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	67%
U.S. Trips last 12 Months	1.6
U.S. Trips last 5 Years	4.6
1 Trip	40%
2 - 5 Trips	38%
5+ Trips	22%

ORIGIN MARKETS	
Japan	23%
U.K.	15%
Germany	11%
France	7%
Oceania	5%
South America	5%
Benelux	4%
Taiwan	4%
Italy	4%
South Korea	3%

PORT OF ENTRY	
Los Angeles	36%
San Francisco	13%
New York	8%
Chicago	5%
Miami	4%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	89 Days
Advance Air Reservations	55 Days
Use of Pre-Booked Lodging	71%

USE OF PACKAGES	
YES	35%
Air/Lodging	24%
Guided Tour	21%
Air/Lodging/Tour	14%
Air/Lodging/Bus	10%
Air/Lodging/Bus/Tour	8%
Air/Rental Car	7%
Air/Lodging/Rental Car	4%
Advance Package Booking	71 Days
# of Nights Pre-paid as Part of a Package	9.1

INFORMATION SOURCES	
Travel Agency	64%
Friends/Relatives	20%
Travel Guides	16%
Personal Computer	15%
Tour Company	14%
Airlines Directly	12%
Newspapers/Magazines	10%
State/City Travel Office	7%
Other	10%

EXPENDITURES	
Avg. Spending Per-Visitor-Per-Day (mean)	$110

ACCOMMODATIONS	
Hotel/Motel	96%
Private Home	3%
Other	1%

TRANSPORTATION IN U.S.	
Airlines in U.S.	50%
Rented Auto	41%
Taxi/Cab/Limousine	41%
Company or Private Auto	24%
City Subway/Tram/Bus	22%

LENGTH OF STAY	
# of Nights In LV (mean)	3.7
# of Nights in US (mean)	17.3

UTAH DESTINATIONS VISITED	
Bryce Canyon N.P.	4%
Zion N.P.	2%
Monument Valley	2%
Salt Lake City	2%
Glen Canyon	1%

PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	80%
Leisure/Rec./Holidays	70%
Visit Friends/Relatives	10%
Business & Convention	20%
Business/Professional	11%
Convention/Conference	8%
Study/Teaching	2%

OTHER DESTINATIONS VISITED	
# of States Visited	2.7
# of Destinations Visited	3.9
California	75%
Los Angeles	57%
San Francisco	42%
San Diego	14%
Anaheim	7%
Yosemite N.P.	7%
Arizona	24%
Grand Canyon N.P.	14%
Phoenix	6%
New York	14%
New York City	13%
Utah	10%
Florida	8%

LEISURE ACTIVITIES	
Shopping	90%
Dining in Restaurants	85%
Casinos/Gambling	74%
Sightseeing in Cities	62%
Amusement/Theme Parks	61%
Visit National Parks	52%
Visit Historic Places	42%
Visit Small Towns	39%
Touring Countryside	36%
Guided Tours	34%
Cultural or Heritage Sites	25%
Water Sports/Sunbathing	20%
Concert/Play/Musical	19%
Art Gallery/Museum	17%
Nightclubs/Dancing	15%
Visit Am. Indian Comm.	14%
Cruises	7%
Golfing/Tennis	7%
Ethnic Heritage Sites	7%
Attend Sports Event	6%
Camping/Hiking	6%
Environ./Eco Excursions	4%
Snow Skiing	2%
Ranch Vacations	2%
Hunting/Fishing	1%

VISITATION VOLUME	
Total Int'l. Visitation (000s)	2,251

*SOURCE: U.S. Department of Commerce, ITA/Tourism Industries

Overseas Visitor Comparison

Traveler Characterisitc	Overall Utah	National Parks	Salt Lake City	Las Vegas
Visitation Volume (1999)	391,000	158,000	126,000	2,251,000
Average Age	42.2 Years	42.1 Years	42.0 Years	40.3 Years
Average Household Income	$72,800	$66,500	$80,400	$73,600
Origin Markets				
Western Europe	76%	86%	56%	48%
Asia	15%	12%	26%	39%
Oceania	4%	2%	7%	5%
South America	3%	0%	6%	5%
U.S. Trips in Last Five Years	4.0	2.7	5.7	4.6
Advance Trip Decision	120 Days	133 Days	95 Days	89 Days
Use of Packages	30%	40%	18%	35%
Per-Day Expenditures	$81	$73	$107	$110
Accommodations				
Hotel or Motel	76%	80%	71%	96%
Private Home	13%	1%	27%	3%
Other (Camping)	14%	21%	8%	1%
Transportation within the U.S.				
Rental Car	58%	65%	49%	41%
Airlines	40%	30%	49%	50%
Taxi/Cab/Limo	27%	22%	37%	41%
Average Length of Stay in Utah	5.7 Nights	3.7 Nights	7.5 Nights	3.7 Nights (LV)
Average Length of Stay in U.S.	23.5 Nights	20.6 Nights	22.4 Nights	17.3 Nights
Number of States Visited	3.8	3.9	3.3	2.7
Number of Destinations Visited	5.3	6.3	4.1	3.9
Utah Destinations				
Salt Lake City	32%	4%	100%	2%
Bryce Canyon N.P.	25%	63%	3%	4%
Zion N.P.	13%	32%	1%	2%
Monument Valley	12%	30%	2%	2%
Glen Canyon N.R.A.	5%	12%	0%	1%
Other Destinations				
California	70%	83%	48%	75%
Nevada	58%	74%	31%	10% (Utah)
Arizona	55%	81%	16%	24%
Colorado	12%	9%	11%	2%
Wyoming	12%	10%	18%	1%
Purpose of Trip				
Leisure and VFR	81%	93%	62%	80%
Business	19%	7%	38%	20%
Selected Activities				
Visit National Parks	78%	92%	55%	52%
Visit Historic Places	55%	58%	48%	42%
Touring Countryside	54%	58%	42%	36%
Visit Small Towns	51%	54%	38%	39%
Casinos/Gambling	45%	53%	28%	74%
Cultural or Heritage Sites	38%	45%	29%	25%
Visit Am. Indian Comm.	32%	38%	17%	14%
Guided Tours	26%	30%	17%	34%
Camping/Hiking	21%	27%	9%	6%
Concert/Play/Musical	13%	8%	28%	19%
Environ./Eco Excursions	11%	15%	5%	4%
Nightclubs/Dancing	7%	6%	12%	15%
Snow Skiing	6%	1%	13%	2%

SOURCE: TI/ITA, U.S. Dept. of Commerce